

Environmental Press Releases 1999 - 2003

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1999



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GOVERNOR DAVIS ANNOUNCES DECISION REGARDING MTBE

Determines Risks Outweigh Benefits of Fuel Additive

SACRAMENTO—In a move to protect the people of California from possible health risks Governor Gray Davis today announced that he will direct a three year, eight month phase out of the fuel additive Methyl Tertiary Butyl Ether (MTBE). Through his executive order, Governor Davis today began the state-wide process, across an array of agencies, to remove MTBE from California's gasoline supply. Additionally the governor has called upon California's federal delegation to establish a forum for the removal of MTBE without violating the Federal Clean Air Act. The Governor made the following comments at a press conference today.

"I hereby certify that there is, on balance, a significant risk to California's environment associated with the continued use of MTBE in gasoline. I am directing the appropriate state regulatory agencies to devise and carry out a plan to begin immediate phase out of MTBE from California gasoline, with 100% removal achieved no later than December 31, 2002.

"I will be asking the US Environmental Protection Agency for an immediate waiver from the oxygen mandate in the Clean Air Act, with the understanding that California will still fully meet the air quality emission standards of the Act.

"California will not backslide on air quality. Nor will we sacrifice clean air for clean water. We can and we will have both clean air and clean water.

"I believe that an aggressive but responsible phase out period is the most prudent course of action for California."

PR99:085 FOR IMMEDIATE RELEASE April 20, 1999

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GOVERNOR DAVIS ANNOUNCES PUBLIC-PRIVATE PARTNERSHIP TO ADVANCE FUEL CELL VEHICLES

SACRAMENTO—Governor Gray Davis today joined industry leaders in announcing a fuel cell vehicle partnership that will address issues facing this new automobile technology including development, marketing and infrastructure needs.

"Our long-term goal is very simple: zero emissions in the air," said Governor Davis. "To meet that goal, California has teamed with some of the best automotive manufacturers and energy providers in the world, to develop an exciting new technology that is both environmentally safe and commercially viable."

The "California Fuel Cell Partnership – Driving For the Future" is a unique collaborative between auto manufacturers, fuel suppliers, a fuel cell company, and the State. The partnership will demonstrate fuel cell vehicles as a safe, practical, clean alternative to conventional combustion-engine vehicles.

"This partnership is already contributing to our economy and our environment and that is all very good news for California," continued Governor Davis. "Fuel cell development will result in cleaner cars which are the path to a better environment and a better future."

Fuel cell vehicles draw electrical power from a fuel cell engine, a device that produces electricity efficiently, silently and without combustion by combining hydrogen fuel and oxygen. The only exhaust created by this low to zero-emissions system is water vapor.

PR99:127 FOR IMMEDIATE RELEASE May 28, 1999

GOVERNOR DAVIS RELEASES LIST OF MTBE-FREE GAS SUPPLIERS IN LAKE TAHOE

SACRAMENTO—Governor Gray Davis today announced that the California Energy Commission has furnished South Lake Tahoe authorities with a list of service stations and marinas that have committed to dispense MTBE-free gasoline in the region.

"Only two months after directing the phase out of MTBE, these outlets have stepped up and committed to providing the Lake Tahoe basin with MTBE-free gasoline," said Governor Davis. "I am certain that by working together and by combining public and private resources, California will succeed in protecting one of its most valuable resources - water."

The commission's action resulted from a recent interagency meeting with Tahoe officials on Governor Davis Executive Order directing that California-compliant, MTBE-free gasoline be made available year round in the Tahoe region as soon as possible. Information obtained through industry surveys indicated that the facilities on the commission's list dispense about 85 percent of the gasoline sold by retail outlets in the region.

MTBE (methyl tertiary butyl ether), a petroleum-based additive to make gasoline burn cleaner, has been found to pollute the ground and threaten the safety of drinking water. On March 25, 1999, Governor Davis issued an executive order directing state agencies to begin the process of phasing out MTBE from California's gasoline supply by December 31, 2002. The governor called upon industry leaders to work with the state in voluntarily removing MTBE from gasoline supply regions in an expeditious manner. The Tahoe Basin is especially sensitive to MTBE contamination, as the region is dependent upon groundwater for municipal water needs.



GOVERNOR DAVIS SIGNS LEGISLATION TO PRESERVE STATE PARKS AND STRENGTHEN ENVIRONMENTAL PROTECTION

SACRAMENTO—Governor Gray Davis' fiscal year 1999-00 Budget reflects his priorities to revive California's resources and ensure that they will be preserved for future generations. Governor Davis has signed legislation containing the necessary language to implement several environmental and natural resources programs funded in the FY1999-00 Budget.

"Restoring California's precious natural resources is vital to protecting the environmental and economic health of California," said Governor Davis. "These bills allow the Resources and California Environmental Protection Agencies to implement important programs that are funded as part of the FY1999-00 budget."

In an effort to foster partnership between the environmental, business and regulatory communities and to improve environmental protection and information, Governor Davis signed **AB 1102 by Assemblymember Hannah Beth Jackson** (**D Santa Barbara**). By granting enforcement powers to the agency, this bill will improve CalEPA's ability to protect public health and the environment. AB 1102 includes the following provisions:

- Establishes eight pilot projects (Environmental Management Systems (ISO 14000)) for evaluating environmental
 management systems to determine whether they result in more protection than has been provided through traditional
 authorization and compliance monitoring activities.
- Elevates enforcement coordination to the Agency level and thereby fostering more enforcement coordination among all
 environmental enforcement agencies through the Deputy Secretary for Law Enforcement and Counsel. The deputy's
 duties shall also include the establishment with the Attorney General, of a cross-media enforcement unit able to
 investigate violations of law involving more than one environmental medium or more than one department; and the
 referral of violations to the Attorney General, a district attorney or city attorney for civil or criminal action.
- Establishes a deputy secretary for external affairs to provide outreach and technical support to businesses.

Governor Davis signed **AB 1103 by Assemblymember Ted Lempert (D-Palo Alto)**, the Resources Omnibus Trailer Bill including provisions affecting a number of state departments within the Resources and California Environmental Protection Agencies. This bill is an urgency measure and takes effect immediately. Highlights of AB 1103 include:

- Providing the California Air Resources Board a continued funding source for California Clean Air Act (CCAA) programs
 by continuing the assessment of fees on non-vehicular sources of air pollution. Without the fee continuance, many of
 the CCAA projects would be discontinued due to a loss in \$3 million of annual revenue.
- Allocation of \$252,000 included in the governor's budget to develop and implement a marina fueling facilities regulatory
 program. Marina fueling facilities represent a significant source of MTBE contamination and a regulatory program is
 necessary for the implementation of the Governor's executive order calling for the cleanup and phase out of the
 gasoline additive.
- Requires the Department of Boating and Waterways to adhere to customary commercial practices when making loans
 to local governments for the operation of small craft harbors in order to ensure that the loans are adequately secured
 and repaid within the terms of the agreement. Additionally the bill requires the department to adopt regulations,
 including weighing and ranking criteria for these loans. This provision fulfills the governor's direction given in the budget
 summary regarding loan programs operated by the Department of Boating and Waterways "to ensure that the interests
 of the state are better protected."
- Appropriates \$200,000 to the Upper Newport Bay Ecological Reserve Maintenance and Preservation Fund, for the
 protection of one of California's largest salt marsh ecosystems. The Upper Newport Bay Ecological Reserve provides a
 habitat for a significant number of migratory fowl and endangered species of birds and plants.

The governor has allocated over \$2 billion for the state's resources program, including \$158.5 million for habitat acquisition, \$157 million to respond to un-funded deferred maintenance requests by our California parks and \$52 million for levee and flood control projects. The governor's budget also includes \$500,000 for the California Environmental Protection Agency (CalEPA) to begin identifying enforcement needs and develop a plan to address those needs.

PR99:186 FOR IMMEDIATE RELEASE July 30, 1999

GOVERNOR DAVIS ANNOUNCES \$1.8 MILLION TO LOCAL GOVERNMENTS FOR HOUSEHOLD HAZARDOUS WASTE COLLECTION

SACRAMENTO—Governor Gray Davis today announced that \$1,885,588 has been awarded to 17 local governments statewide to increase collection and recycling of hazardous products used in the home—products also known as household hazardous waste. The grants will be provided by the California Integrated Waste Management Board.

"When old cleaning products, garden pesticides, car batteries, or even used oil end up in the garbage they can cause serious environmental problems," said Michael Bustamante Press Secretary for Governor Gray Davis. "With these grants, cities and counties can setup programs to keep such potentially unsafe materials out of landfills, by finding ways to recycle, reuse, or properly manage them."

When household hazardous wastes (HHW) are put in the garbage or otherwise illegally disposed they can contaminate soil and ground water supplies, posing health risks to people and wildlife. The 17 local governments (see attached list) will use today's grant funding to establish or expand permanent collection facilities and public outreach programs that help educate the public about proper management of HHW.

Each year HHW collection programs keep an estimated 20 million pounds of household hazardous waste out of landfills through proper management, recycling, and reuse.

Many products can be reused. For example, used motor oil is re-refined and used by NASCAR racers, the California Highway Patrol, and a growing number of passenger vehicles. Leftover latex paint can be given to community groups for use, or made into new, high quality paint. Even antifreeze can be recycled and used again.

The six-member Integrated Waste Management Board, one of six boards and departments within the California Environmental Protection Agency (Cal/EPA), is responsible for protecting the public's health and safety and the environment through management of the estimated 56 million tons of solid waste generated in California each year. The Board's mandate is to work in partnership with local government, industry, and the public to achieve a 50 percent reduction in waste disposed by the year 2000, while ensuring environmentally safe landfill disposal capacity. Currently, California's diversion rate is at an all-time high of 33 percent.

Department of Interior Contact: Jeff McCracken US Bureau of Reclamation (916) 978-5100 State of California Hilary McLean (916) 445-4571 Pete Weisser CA Dept Water Resources (916) 653-9712

FOR IMMEDIATE RELEASE

August 18, 1999

GOVERNOR DAVIS, INTERIOR SECRETARY BABBITT CALL FOR ACTION ON KEY WATER ISSUES

SACRAMENTO—Governor Gray Davis and Secretary of the Interior Bruce Babbitt met today to discuss two key elements of California's water future: the Colorado River Agreement and the CALFED Bay-Delta Program. Davis and Babbitt pledged their personal commitment to move forward on these issues.

Colorado River Agreement

Governor Davis and Secretary Babbitt reiterated their strong support for the framework agreed to in the Colorado River negotiations, reached last week among major southern California water districts. Davis and Babbitt directed negotiators for the state and federal agencies to resolve the remaining issues in order to finalize a detailed accord facilitating transfers of conserved Colorado River water.

"The Colorado River Agreement is critical to California's overall water strategy. This agreement is a vital step toward enabling California to provide a solid foundation for the CALFED program," said Governor Davis. Davis' Director of State Water Resources, Tom Hannigan, is leading negotiations on behalf of California.

"Negotiators must develop a working arrangement for water transfers to make the most efficient, versatile uses of Colorado River water," said Secretary Babbitt, whose Deputy Secretary, David Hayes, is assisting in the negotiations process. "In their ongoing discussions to develop detailed agreement language, they are building on a framework agreement reached earlier this month."

CALFED Bay-Delta Program

Governor Davis and Secretary Babbitt pledged to accelerate progress on the CALFED Bay-Delta Program, and move forward on key elements. Davis and Babbitt directed CALFED agencies to work with stakeholders to achieve a series of milestones to assure completion of the CALFED Final Plan by next spring.

Governor Davis, Interior Secretary Babbitt Call For Action On Key Water Issues

"CALFED offers the best hope in decades to move beyond California's historic water wars and resolve issues through collaboration," continued Davis. "But success will require a new, unprecedented level of effort by participants and stakeholders. The legacy of a lasting water peace is worth the hard work it takes to get there."

"CALFED is critically important to the Clinton Administration and all Californians," said Babbitt. "I am committed to doing whatever it takes to meet CALFED's schedule to develop long-term solutions to Delta water and ecosystem challenges."

The governor and secretary stressed the importance of CALFED developing innovative approaches to meet the challenges of restoring the health of the estuary while providing more reliable supplies of clean water for cities, farms, and fish. These include:

and fish. These include:

- An Environmental Water Account (EWA), which will provide more flexible water project operations to restore fisheries and meet competing demands for water from the Delta.
- An Integrated Storage Investigation (ISI), which will evaluate the role of surface and groundwater storage in providing more reliable supplies.

They directed CALFED and agency staff to develop a framework for the EWA and the ISI by the end of the year. The Secretary and Governor also discussed progress on key elements of the CALFED program including ecosystem restoration, water use efficiency, water marketing and transfers, drinking water quality, watershed and floodplain management, and South Delta water management improvements.

They also discussed the importance of a coordinated approach to managing flows for fisheries under the federal Central Valley Project Improvement Act (CVPIA). Interior will continue to consult with state agencies in crafting the final decision on implementing the CVPIA "(b)(2)" provision calling for the dedication of 800,000 acre feet of water for fishery purposes. They agreed that regardless of the outcome of ongoing litigation, state and federal agencies will work through CALFED to assure that the impacts of Interior's decision are considered in developing CALFED's final plan.

Finally, they agreed that a continued strong commitment to state and federal funding is vital to the success of the CALFED Program. They agreed that the federal Bay-Delta Environmental Enhancement and Water Security Act of 1996 should be reauthorized, and that sufficient federal and state funds must be made available for all CALFED Program elements to assure balanced implementation. The governor added that he will urge the state Legislature to enact a water bond measure to provide continued state funding for the Program.

The CALFED Bay-Delta Program is a cooperative effort among state and federal agencies, stakeholders, and the public. The CALFED Bay-Delta Program's mission is to develop a long-term comprehensive plan that will restore ecological health and improve water management in the Bay-Delta system. The Program issued a draft plan in June, and public hearings on the plan are being held throughout the State in August and September. The final CALFED plan is scheduled to be completed in the Spring of 2000.

L99:116 FOR IMMEDIATE RELEASE September 2, 1999

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GOVERNOR DAVIS SIGNS LEGISLATION ALLOWING STATE ACCESS TO ILLEGAL TIRE PILES

SACRAMENTO—Governor Gray Davis has signed **SB 1055 by Senator Debra Bowen (D-Marina Del Rey)**, legislation that would allow the California Integrated Waste Management Board (CIWMB) to obtain access to illegal tire piles when the situation presents a significant threat to public health or the environment.

SB 1055 was introduced in response to a fire that started two years ago in Tracy, just south of Stockton, at the state's largest illegal tire pile. The fire, also known as the Royster Tire Pile, is still burning. Based on CIWMB estimates, the 30-acre pile contained between 7 and 8 million tires.

Tire fires are considered to be a health hazard. Burning tires release toxic smoke into the air and oil is released when tires melt, contaminating soil and water. Currently there are more than 15 million tires in stockpiles around California, with an additional 33 million tires added yearly. Of these 48 million tires, only 19.1 million are currently being recycled.

The California Tire Recycling Act and the Tire Hauler Registration program require the CIWMB to administer a tire recycling program and a waste tire facility and hauler regulatory program. The goal of these programs is to promote and develop alternatives to the landfill disposal of whole waste tires, and protect the public health, safety and environment with regard to waste tire facilities and haulers.

This bill also requires the CIWMB to submit to the Legislature, in conjunction with the annual State budget, a report that describes the expenditures proposed for that fiscal year by the CIWMB for grants, loans, and contracts under the tire recycling program.

L99:199 FOR IMMEDIATE RELEASE October 9, 1999

GOVERNOR DAVIS APPROVES LEGISLATION TO PROTECT CALIFORNIA FROM THE HAZARDS OF MTBE

Davis Also Signs Legislation Requiring Environmental Impact Studies of New Fuels

SACRAMENTO—Moving to protect California from the potential hazards of methyl tertiary butyl ether (MTBE), Governor Gray Davis has signed legislation that codifies his Executive Order banning the fuel oxygenate, requires a thorough environmental review of new fuel formulations and tracks the amount of the additive used by California refineries.

SB 529 by Senator Deborah Bowen (D-Marina Del Rey) requires the California Air Resources Board (ARB) to subject any proposed motor vehicle fuel regulations to a multimedia evaluation. The California Environmental Policy Council, as a result of the evaluation, will be required to review all potentially beneficial and adverse environmental impacts of any motor vehicle fuel specifications adopted by the ARB on or after January 1, 2000. By requiring the ARB and various other agencies to thoroughly evaluate the environmental impact of alternative gasoline formulations, this bill is designed to prevent another MTBE-like situation.

SB 989 Senator Byron Sher (D-Palo Alto) requires the removal of methyl tertiary butyl ether (MTBE) from California's gasoline at the earliest possible date and addresses the prevention and clean up of groundwater contamination caused by leaking underground storage tanks in several ways. This bill enacts and expands on some of the mandates in the Governor Davis' Executive Order (D-5-99) and includes recommendations from the "*Report of the State Water Resources Control Board's Advisory Panel on the Leak History of New and Upgraded UST Systems.*"

SB 989 extends the Cleanup Fund used to abate MTBE groundwater contamination by \$1 billion and provides new structural and operational requirements for underground storage tanks. In addition, this bill increases the availability of funding for underground storage tank upgrades, removal and corrective action.

In March, Governor Davis issued an Executive Order to phase out the additive from gasoline at the earliest possible date, but not later than December 31, 2002. This Executive Order on MTBE further directs the Air Resources Board and Water Resources Control Board to analyze the environmental impact of ethanol in air, surface water and groundwater, directs the Office of Environmental Health Hazard Assessment to analyze health effects of ethanol and its combustion products and directs the California Energy Commission to evaluate the potential for developing a California waste-based or other biomass ethanol industry product.

SB 1001 by Senate President Pro Tem John Burton (D-San Francisco) - This bill requires the California Energy Resources, Conservation and Development Commission to submit quarterly reports to the Legislature summarizing the amount of MTBE used by each refinery in California and documenting the quarterly change.

Earlier this year, the University of California released a report titled "Health and Environmental Assessment of Methyl Tertiary-Butyl Ether (MTBE)" that concluded while MTBE has provided California with clean air benefits, but because of leaking underground fuel storage tanks MTBE poses an environmental threat to groundwater and drinking water.

PR99:282 FOR IMMEDIATE RELEASE November 11, 1999

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GOVERNOR DAVIS APPLAUDS DECISION OF BP AMOCO TO REMOVE MTBE EARLY FROM GASOLINE

Head of BP Amoco Also Pledges 25% Increase in Charitable Contributions

SACRAMENTO—Governor Gray Davis announced today that BP Amoco Chief Executive Sir John Browne has agreed to eliminate MTBE as an additive to gasoline manufactured in California by 2001, one year earlier than called for by Davis' executive order. Browne also pledged to boost by 25% the level of charitable contributions over Arco's previous spending this past decade. The decisions were the outcome of meetings held between the two men, the first conducted in London as part of the governor's business development trip.

"Sir John Browne has a very good reputation for running a cutting-edge company with a strong environmental bias," said Governor Davis. "I think his promise to make a good-faith effort to phase out MTBE one year earlier is a promise that is incredible and should be emulated by others. I am also very pleased that not only will BP Amoco continue Arco's level of charitable contributions, it will be but improved upon by \$20 million over ten years, a 25% increase."

Subject to the successful completion of its proposed merger with Atlantic Richfield (ARCO), Sir John Browne told Governor Davis the company aims to scrap the use of MTBE at ARCO's Los Angeles refinery by the end of 2001. It also intends to source any additional gasoline needed for its California retail network from MTBE-free suppliers. Browne also told Governor Davis that BP Amoco did not intend to change ARCO's low-price, high-volume marketing strategy on the West Coast or its position as a price leader. Additionally, Browne undertook to maintain the company's active involvement in the community and pledged to boost charitable contributions in California to more than \$100 million over the next ten years — a 25% increase on ARCO's spending the past decade.

"I believe the significant commitments we have announced today will show that BP Amoco is very willing to meet the concerns of Californians," Browne said in a statement. "Our intent on the early phase-out of MTBE responds not only to California's specific requirements but reflects BP Amoco's much wider commitment to achieving a progressively cleaner environment wherever it does business."



GOVERNOR DAVIS ANNOUNCES MAJOR OIL COMPANY WILL BE FIRST TO REMOVE MTBE

Governor Asks Other Gas Producers to Follow Tosco's Lead

SACRAMENTO—Standing with officials from California's Environmental Protection Agency (CalEPA) and Tosco, one of the largest oil companies operating in California, Governor Gray Davis today announced that Tosco will remove MTBE from gasoline by the end of 2000 – a full two years ahead of the current deadline of December 31, 2002, set by the governor's Executive Order.

"In March, I signed an Executive Order to initiate the process of removing the fuel additive known as MTBE from California's gasoline supply," Governor Davis said. "At the same time, I said that I would work with oil companies in an effort to expedite the elimination of MTBE by voluntary agreement. By working in the spirit of cooperation, not conflict, we have moved faster to protect California's water supply from MTBE. I urge other companies to follow Tosco's lead and voluntarily remove MTBE from their supplies for the sake of our drinking water, our ground water and our environment."

Tosco officials noted that their commitment to remove the controversial additive is contingent upon the federal EPA's granting of a waiver which will allow gas companies to supply gasoline without the oxygenate MTBE. Governor Davis requested such a waiver for California last March.

"Now that we are moving mountains and helping oil companies become good corporate citizens, I call on the federal government to step up to the plate and act swiftly in favor of our request," Governor Davis said. "Nothing is more fundamental to Californians than ensuring clean drinking water for future generations. We cannot afford to divide our quest for prosperity from our obligation to protect our natural resources – God's great gift to us – for our children."

Tosco's announcement comes just weeks after Governor Davis persuaded BP Amoco Chief Executive Sir John Browne to pledge to remove MTBE by 2001, if the proposed merger of BP Amoco and ARCO becomes final. The governor asked for the commitment during a meeting with Sir John Browne while the governor was in London on his recent trade mission to Europe and the Middle East. Browne later met with Governor Davis in California and announced the company's intention to beat the governor's MTBE removal deadline by one year.

Tosco's gasoline is sold at approximately 1,600 Union 76 and Circle K gas stations in California, as well as independent gas stations throughout the state. Tosco has a history of opposing the use of MTBE, and was the first marketer in California to convert stations from MTBE to ethanol. In April 1998, Tosco began providing Union 76 stations in the San Francisco Bay Area with ethanol-blended CARB gasoline. In April of this year, Tosco converted all of its stations in the Lake Tahoe area to ethanol-blended fuel.

Company officials predict the MTBE removal will not increase the cost of gasoline, but rather, might even lower gas prices in California. Tosco officials predict conversion away from MTBE will take approximately nine months to a year. Conversion efforts will take place at Tosco's California refineries, as well as at gasoline storage terminals to segregate non-MTBE gasoline.

Last March, citing a UC Davis study that found MTBE harmful to human health, Governor Davis issued an Executive Order directing a removal of MTBE by the earliest possible date, but not later than December 31, 2002. The governor's Executive Order also directs the California Air Resources Board and Water Resources Control Board to analyze the environmental impact of ethanol in air, surface water and groundwater, directs the Office of Environmental Health Hazard Assessment to analyze health effects of ethanol and its combustion products and directs the California Energy Commission to evaluate the potential for developing a California waste-based or other biomass ethanol industry product.

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PR00:014 FOR IMMEDIATE RELEASE January 28, 2000

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GOVERNOR DAVIS ANNOUNCES STATE TO PROVIDE \$5 MILLION FOR AIR POLLUTION IMPACT STUDIES

Studies Will Focus on Children, the Elderly and Other Sensitive Groups

LOS ANGELES—Governor Gray Davis today announced that the State of California will provide \$5 million in funding to study the impact of air pollution on people who are especially sensitive to dirty air. The Air Resources Board (ARB) today approved \$3.8 million to fund two studies to look at the impacts of air pollution on asthmatic children, the elderly and other sensitive groups, such as those with respiratory illnesses. This is in addition to the \$1.2 million in similar funding approved last December.

"This important research will help us find new and better ways to protect California's most vulnerable residents from the health impacts of air pollution," said Governor Davis. "The research results will benefit not only Californians, but people with respiratory illnesses everywhere."

The \$3.8 million approved today will be granted to the University of California, Berkeley, for a five-year investigation into how airborne particles affect 450 asthmatic children, ages 6 to 10 years old. Although the study is centered in the Fresno area, information gathered will have statewide applications.

In addition to the funds announced today, Governor Davis' Budget proposes \$5.2 million for the following activities:

- \$1 million to access indoor air quality in portable classrooms;
- \$608,000 to implement pest management plans at schools to reduce the use of pollutants and exposure of children to those pollutants;
- \$2.8 million for the cleanup of hazardous material at school sites; and
- \$843,000 to evaluate cancer risks to children from exposure to toxic chemicals and develop risk assessment guidelines.

Prior research has shown that small particles can bypass the body's defenses and lodge deep in the lungs. Health effects include increased respiratory disease, lung damage and cancer. Recent studies have shown that people driving in their cars and people who live near major freeways are exposed to high levels of particulate matter and other air pollutants.

PR00:041 FOR IMMEDIATE RELEASE March 9, 2000

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GOVERNOR DAVIS CELEBRATES PASSAGE OF PROPOSITIONS 12 AND 13

Bond Measures Are Historic Down Payment on Future of Quality of Life in State

ELK GROVE—Governor Gray Davis today was joined by legislators, environmental, agricultural and business leaders at the environmentally sensitive Cosumnes River Preserve, south of Sacramento, to celebrate the overwhelming passage of Propositions 12 and 13.

"I want to thank the voters of California for thinking big," said Governor Davis. "These measures not only represent the largest park and water bonds in our state's history, but the ultimate triumph of the politics of consensus over the politics of conflict."

Known as the Parks Bond and the Water Bond, the two Propositions received 63.2 percent and 64.8 percent respectively and together will fund \$4 billion in projects to protect open space, preserve habitat, repair state parks facilities, enhance flood control and repair and secure the state's core water supply system.

These bonds, promoted and supported by Governor Gray Davis, received a two-thirds vote of both houses of the California legislature last year to assure placement of the measures on the ballot for the recent March 7 election. The broad bipartisan backing for the bond measures was also reflected in the unprecedented coalition of interests that supported the campaign for their passage, from consumer and environmental groups to the Chambers of Commerce and the business and agricultural community.

Proposition 12 was authored by Assemblymember Fred Keeley and Assembly Speaker Antonio Villaraigosa. It is the first parks bond to be passed in 12 years and is the single largest parks bond act in the history of the nation. It will provide \$2.1 billion for protection and restoration of California's most precious resources - water, rivers, beaches, air and parks. Proposition 12 also has specific provisions for the development of urban parks and recreational activities for disadvantaged areas and at-risk youth, as well as funds to support a variety of museums and institutes.

Authored by Assembly Member Mike Machado and Senator Jim Costa, Proposition 13 provides \$1.97 billion to addresses a broad variety of water-supply and water-quality related issues throughout the state. When completed, the projects will provide enough additional water for 8 million people (1,000,000 acre feet) repair aging urban water-distribution systems, restore watersheds, clean up urban runoff, and provide for new groundwater storage.

The Department of Parks and Recreation and the Department of Water Resources, two of the major recipients of the funds, already have begun to plan and develop bond-related projects. Expenditures will have to be approved by the Legislature and are subject to annual audits by the Department of Finance.

PR00:135 FOR IMMEDIATE RELEASE May 26, 2000

GOVERNOR DAVIS ANNOUNCES \$2.3 MILLION FOR CLEAN AIR PROJECTS

SACRAMENTO—Governor Gray Davis today announced the approval of more than \$2.3 million in grants for clean air projects, ranging from hydrogen refueling systems to use of rice straw in ethanol production. The California Air Resources Board (ARB) will administer the grants.

"These important grants provide seed money for innovative and creative approaches to improve the air quality of California," said Governor Davis. "The projects not only help expand our knowledge, but provide real-world benefits for both our economy and the environment."

Approximately \$1.2 million in grants will fund five Rice Straw Demonstration Projects to assist growers, businesses and others affected by the phase-out of rice straw burning find promising, commercial uses for rice straw. The projects have the potential to use as much as 800,000 tons of rice straw after five years, a significant portion of the 1 million tons of rice straw produced every year by Sacramento Valley farmers.

The following Rice Straw Demonstration projects were awarded grants today:

\$402,000 for rice straw export to Japan;

\$380,000 for rice straw delivery to the Gridley ethanol plant during its first year of operation;

\$297,900 for development of a commercial-scale composting plant in Colusa, California;

\$100,000 for commercial production of ethanol derived from Sacramento Valley rice straw;

\$50,100 for the production of rice straw silage as cattle feed, followed by an evaluation and recommendations on further commercialization.

The Rice Straw Demonstration Project Fund was established in 1997 by Senate Bill 318 (D-Thompson). This followed the 1991 Rice Straw Burning Reduction Act that required rice growers in the Sacramento Valley to phase out most burning by 2000.

Approximately 500,000 acres of rice are grown in the Sacramento Valley annually, producing about 1 million tons of straw. Only 1 percent of the unburned straw is currently removed from the fields and used, while the remaining 98 percent is ploughed back into the ground.

Governor Davis also announced that \$1.1 million in grants will fund five Innovative Clean Air Technology (ICAT) projects designed to create successful partnerships between businesses and government to move new technology from research to commercialization. The funded projects consist of:

\$300,000 for a system to produce, compress, store and dispense hydrogen for vehicle use, which could be beneficial to the objectives complimenting the efforts of the California Fuel Cell Partnership;

\$254,742 to demonstrate nitrogen oxide reductions from stationary source diesel engines using a system that protects catalysts from sulfur poisoning;

\$229,998 to improve the practicality of using fast-charge electric ground support equipment at the Sacramento International Airport;

\$199,790 to demonstrate controls on nitrogen oxide emissions using ozone injected into flue gas of hightemperature industrial furnaces; and

\$161,803 to demonstrate a special valve system that reduces nitrogen oxides in high-temperature industrial furnaces.

Since the ICAT program began in 1994, \$3.4 million dollars has been approved for 14 projects. Additionally, ICAT participants have, to date, contributed an average of 74 percent of project costs resulting in approximately \$13 million for clean air projects. Any type of clean air pollution control technology is eligible for consideration for ICAT funding. Specifically, the ARB looks for new technologies that reduce emissions or offer increased efficiency or cost-effectiveness.

Investing the Dividends of Prosperity

Governor Davis' Environmental Plan

"We must preserve California's natural heritage today so that our children and our children's children can enjoy it tomorrow." – **Governor Gray Davis**

In his May Budget Revise, Governor Davis has allocated \$375 million for the protection and preservation of California's environment, building on the landmark investments for parks and open space acquisition included in the governor's January Budget.

Protecting California's Resources and the Environment Land Conservation Fund \$75 million

This money will be matched dollar for dollar with non-State fund sources to provide a total of \$150 million for the acquisition of open space, wildlife habitat and park lands;

Governor Davis challenges private foundations to match the State's commitment to preserving important open space lands.

CALFED Bay-Delta Program \$125 million

\$125 million in General Fund will be set aside for implementation of the CALFED Record of Decision;

Priority for use of the funds will be for the creation of an Environmental Water Account and for watershed restoration, water quality and water conservation projects and programs.

Urban Clean Up and Reusing California Land \$125 million

\$75 million will be added to a revolving loan fund for clean up, available to developers, schools and local governments;

\$35 million will be added to a risk pool insurance fund for liability and cost-cap insurance for redevelopment projects;

\$15 million increase in technical assistance and site evaluation.

Carl Moyer Program to Reduce Diesel Emissions \$50 million

This program will reduce approximately 7 tons of NOx per day, equal to taking 5,600 diesel trucks off the road;

\$45 million will go to distribution of grants through regional air districts for truck and farm vehicle diesel engine retrofit and replacement;

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\$5 million will fund advanced technology projects and alternative fuels infrastructure.

Investing the Dividends of Prosperity 12. PROTECTING AND ENHANCING OF

PROPOSITION 12 AND 13: PROTECTING AND ENHANCING OUR NATURAL RESOURCES

"The passage of California's Park and Water Bonds represents a historic down payment on the future quality of life in our State." – **Governor Gray Davis**

Los Angeles River Parkway Projects \$83 million (GF and Props. 12, 13)

Governor Davis' May Revision includes significant funds from Propositions 12 and 13 to develop a broad range of urban parks in the Los Angeles area, with the Los Angeles River as the thread linking these new parks;

Includes the creation of a new state park at Taylor Yard – once a Southern Pacific switching yard;

Other key projects include the expansion of the Elysian Valley Park and the development of the Maywood River Park. The City of Maywood currently has the least amount of park space of any city in the nation;

Creation of these urban parks will provide long-term benefits to dozens of underserved communities throughout the LA region.

Santa Ana River Watershed \$134 million (Prop. 13)

The Santa Ana River is the largest coastal river system in Southern California, beginning in the San Bernardino Mountains and flowing for more than 100 miles to the Pacific Ocean;

Governor Davis' May Revision includes significant funding from Proposition 13 to undertake a variety of Santa Ana River watershed restoration projects, including groundwater storage, water conservation, water quality improvement and wildlife habitat enhancement.

River Protection and Restoration \$95 million (Prop. 13)

The governor's May Revision includes Proposition 13 funds to continue the creation of river parkways and to undertake river protection and restoration projects on the Los Angeles, San Gabriel, Otay, San Dieguito, Tijuana, Santa Clara, Guadalupe, San Joaquin, Kern, Sacramento, American and Cosumnes Rivers.

State Park System \$140 million (Prop. 12)

Funding from Proposition 12 included in Governor Davis' May Revision will allow for the acquisition of significant properties for inclusion in the California's State Park System and for major park rehabilitation projects.

Flood Protection \$144 million (GF and Prop. 13)

In his May Revision, Governor Davis proposes to continue to invest Proposition 13 and General Fund money in critical flood protection projects throughout the state;

Includes the Yuba-Feather River area and Sacramento flood control projects;

Will also fund subventions for county flood control projects.

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Water Supply Reliability \$171 million (Prop. 13)

Governor Davis' May Revise proposes to use Proposition 13 funds for significant water quality, river restoration and water supply reliability projects in the Sacramento-San Joaquin Delta, and Delta export area, including Silicon Valley, the San Joaquin Valley and Southern California.

Open Space Lands and Wildlife Habitat \$63.2 million (GF and Props. 12, 13)

The Governor's May Revision includes funding to acquire critical lands to protect important wildlife habitat, including endangered species and oak woodlands and to provide public recreation opportunities.



GOVERNOR GRAY DAVIS AND SECRETARY OF THE INTERIOR BABBITT ANNOUNCE FRAMEWORK FOR CALIFORNIA'S WATER FUTURE

SACRAMENTO—Setting a decisive new course for California's economy and environment, Governor Gray Davis, Secretary of the Interior Bruce Babbitt, and Senator Dianne Feinstein today announced agreement on a bold new approach to improving the way California manages its water.

"Today California is launching the largest and most comprehensive ecosystem restoration and water management program in the world," Governor Davis said. "The CALFED Bay-Delta Program is an unprecedented effort between state and federal governments, local agencies, the public and private businesses to build a framework for managing our most precious natural resource.

"But we will not succeed without making and carrying out tough decisions. As governor of this State, I am proud of what we've accomplished and I will make it my business to ensure that this effort is carried out in a balanced, responsible manner." Governor Davis continued.

The historic plan, entitled "California's Water Future: A Framework for Action," presents a framework to move forward on actions to solve the most pressing aspects of California's water supply and reliability and environmental restoration problems. A product of five years of intensive study, scientific analysis and public comment, the framework also supplies an overarching vision for how the separate elements and actions create a balanced and workable solution.

The plan focuses on the CALFED Bay-Delta Program and pledges to restore the Bay-Delta ecosystem, improve water quality, enhance water supply reliability and assure long-term stability for agricultural, urban and environmental uses. The plan promises benefits to the environment, California's economy, and to urban and agricultural users.

The agreement integrates actions from several state, federal and regional water management and ecosystem restoration efforts, including the Central Valley Project Improvement Act, the Sacramento-San Joaquin River Basins Comprehensive Study and the Bay Area Regional Water Recycling Program.

The final Programmatic Environmental Impact Statement/Environmental Impact Report (EIS/EIR), on the Bay-Delta Program is scheduled to be released later this summer.

The long-term plan relies on several key components that incorporate a high level of stakeholder participation and a strong commitment to continuous, independent scientific review of actions and decisions.

While the proposed CALFED plan will take years to implement, Governor Davis, Secretary Babbitt and Senator Feinstein today focused on proposed actions to take place over the next seven years – Stage 1 of the program. Funding will come from state and federal appropriations, California Propositions 204, passed in 1996, and Proposition 13, which passed earlier this year, and local revenue sources.

Highlights of the plan include:

- \$1 billion invested in ecosystem restoration projects (ERP) in the Delta, the Sacramento River corridor, and Bay-Delta tributaries -- the largest restoration effort in the United States.
- \$300 million invested in CALFED's Watershed Program to fund local projects that contribute substantially to CALFED goals for ecosystem restoration, water quality improvement and water supply reliability.
- \$1 billion invested in storage projects, increasing water storage by 1.5 million acre-feet, with near-term focus
 on groundwater storage in the Sacramento and San Joaquin Valleys, Shasta lake expansion, Los Vaqueros
 Reservoir expansion, and in-Delta storage.
- Improvements and modifications to the water conveyance system. Actions could include new fish screens at
 State and federal pumping plants, operable barriers in the South Delta, an intertie connecting State and
 federal pumping facilities, and a new bypass canal at San Luis Reservoir to improve waster quality for Silicon
 Valley.

- Investing \$800 million in water quality programs to continuously improve Delta water quality for all users.
 Actions include developing a Bay Area blending/exchange program; addressing drainage problems in the San Joaquin Valley, implementing a source water protection program, and investing in treatment technology development.
- Investing \$1.3 billion in loan and grant programs for agricultural and urban water use efficiency.
- Developing a \$1.6 billion program for water recycling capitol improvement projects.
- Investing \$450 million in Delta levee system maintenance and improvements.
- 380,000 acre-feet of water per year for the Environmental Water Account.

Providing regulatory assurance under the federal Endangered Species Act for the first four years of Stage 1, based on the availability of water from existing regulation, the Environmental Water Account combined with the ERP and the ability to obtain additional assets, should they be necessary. The federal and state fishery agencies will provide assurance, subject to legal requirements, that there will be no reductions beyond existing regulatory levels in deliveries to state and federal project water users resulting from measures to protect fish.

Improved water supply reliability through integration of storage, conveyance, EWA, water use efficiency, water quality and water transfer programs. These actions are expected to demonstrate substantial improvements within the first four years of Stage 1 of CALFED. For the first four years of Stage 1 implementation, while these actions are developed, water deliveries are expected to remain at historic levels for most water users who depend upon water from the Central Valley Project (CVP) and the State Water Project. Deliveries to CVP agricultural users south of the Delta are expected to increase to approximately 65 to 70 percent of their contract totals.

The CALFED Bay-Delta Program, initiated in 1995, is an unprecedented collaboration among state and federal agencies and the state's leading urban agricultural and environmental interests. Its mission is to develop a long-term, comprehensive plan that will restore ecological health and improve water supply reliability for beneficial uses of the Bay-Delta system, the intricate waterways created at the junction of the San Francisco Bay and the Sacramento and San Joaquin rivers and the watershed that feeds them. The Bay-Delta system is a critically important part of California's natural environment. It supplies drinking water for more than 22 million Californians, irrigation water for more than 7 million acres of the world's most productive farmland and supports 120 fish and wildlife species.

In June 1999, CALFED released a draft programmatic EIS/EIR outlining its draft plan for restoring ecological health in the Bay-Delta, providing water supply reliability for all beneficial uses and improving water quality.



GOVERNOR DAVIS SIGNS ENVIRONMENTAL PROTECTION TRAILER BILL

Legislation Will Implement Environmental Policy in Governor Davis' 2000-01 Budget

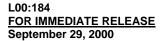
SACRAMENTO—Governor Davis signed **AB 2872 by Assemblyman Kevin Shelley (D - San Francisco)**, legislation which includes a wide range of measures to improve California's air and water quality and certain programs to protect children's health.

"This environmental protection trailer bill implements several important policy initiatives contained in the Budget Act of 2000, including the establishment of a biomass facility grant program, developing cancer and school site risk assessment guidelines, monitoring air quality in portable classrooms, and cleaning up contaminated properties in urban areas," Governor Davis said.

One item within AB 2872, first announced during Governor Davis' Central Valley Economic Summit last November, would enact the Governor's Central Valley Agriculture Biomass-to-Energy Incentive Grant Program. The program will support biomass facilities that convert agricultural waste, which would otherwise be burned in the open field, into clean energy. The Trade and Commerce Agency will administer the program and establish a State multi-agency review panel. The Biomass-to-Energy Incentive Grant Program will sunset on January 1, 2002.

The new law also creates a Fire Safety Subaccount in the Underground Storage Tank Cleanup Fund. Some \$5 million from the Fund will be transferred to the Subaccount to accelerate payment claims to fire safety agencies.

Governor Davis expressed concern about two items in the bill. He said the need for white croaker fish boundaries off the Palos Verdes shelf was "questionable" because the state already conducted such a study with \$3.1 million in federal funds. He also cited concerns about the inclusion of programs within the bill that are unfunded.



GOVERNOR DAVIS SIGNS BILL TO CLEAN UP WASTE TIRE PILES

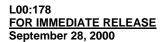
SACRAMENTO—Governor Gray Davis has signed **SB 876 by Senator Martha Escutia (D-Montebello)**, which expands and upgrades California's regulatory program for managing the millions of used tires discarded by California motorists each year.

"California generates more than 31 million used tires every year, generating more scrap tires than any other state," Governor Davis said. "SB 876 will enable California to properly manage our used tires and clean up the disastrous tire fires in Tracy and Westley."

SB 876 expands the state's waste tire pile cleanup and enforcement program to eliminate the environmental and public health threat from illegal tire piles such as the Westley tire pile in Stanislaus County which caught fire last year, burning five million tires, and the Tracy tire fire which burned seven million tires. This measure provides funding to clean up these sites and any remaining illegal tire piles. The measure also expands the state's effort to stimulate and develop markets for recycling and reusing waste tires, thereby reducing the number of tires going to waste tire landfills. Additionally, the bill creates a "cradle-to-grave" reporting system that tracks tires from their sale to disposal in order to prevent illegal dumping of used tires.

The expanded waste tire management programs will be funded by an increase in the waste tire disposal fee from the current \$.25 to \$1.00 per tire through December 31, 2006. After that, the fee drops to \$.75 per tire.

Tire fires present significant health hazards. Burning tires release toxic smoke into the air and oil is released when tires melt, contaminating soil and water. Last year, Governor Davis signed legislation allowing the California Integrated Waste Management Board to obtain access to illegal tire piles when there is a significant threat to public health or the environment.



LEGISLATIVE UPDATE: WATER, RESOURCES AND THE ENVIRONMENT

SACRAMENTO—Governor Gray Davis signed the following legislation related to water, natural resources, and the environment:

WATER

AB 303 by Assemblywoman Helen Thomson (D-Vacaville) -- This bill enacts the Local Groundwater Management Assistance Act of 2000. AB 303 establishes a grant program within the Department of Water Resources and provides resources to local agencies for the development and implementation of groundwater monitoring and management activities.

AB 885 by Assemblywoman Hannah-Beth Jackson (D-Santa Barbara) -- This bill requires the State Water Resources Control Board to adopt regulations or standards by January 1, 2004, for the operation of specified onsite sewage treatment systems. The bill also requires the Regional Water Quality Control Boards to incorporate the regulations or standards into the appropriate regional water quality control plans.

AB 2886 by Assemblywoman Sheila Kuehl (D-Santa Monica) -- This bill makes clarifying and technical changes to statutory requirements associated with various State Water Resources Control Board programs. Under AB 2886, the Water Board must adopt regulations by March 1, 2001 associated with the electronic submission of reports and technical data.

AB 1772 by Assemblyman Robert Pacheco (R-Walnut) -- This bill allows county waterworks districts to contract with state departments to finance improvements, provided that the contracts do not exceed 30 years. It also requires county waterworks districts to repay their state loans with standby charges.

SB 221 by Senator Deirdre Alpert (D-Coronado) - This bill authorizes the Department of Fish and Game's oil spill response administrator to establish a lower level of financial responsibility for nontank vessels with a carrying capacity of 7,500 barrels of oil or less if they are owned and operated by California or a federal agency. The administrator is prohibited from setting a standard that is less than the expected cleanup costs and damages from an oil spill in marine waters. These provisions would sunset on January 1, 2003.

SB 553 by Senator David Kelley (R-Idyllwild) - This bill revises the list of water demand management measures to include updated requirements approved by the Environmental Water Caucus and the California Urban Water Conservation Council through a Memorandum of Understanding. This bill takes effect immediately.

SB 1087 by Senator Byron Sher (D-Palo Alto) -- This bill makes changes to the existing Salmon and Steelhead Restoration Program, including specifying that federal funds be expended pursuant to the program's provisions. SB 1087 also adds purposes for which funds may be expended and adds four additional members to the existing Citizen's Advisory Committee.

SB 1341 by Senator John Burton (D-San Francisco) - This bill requires the Department of Water Resources to release a preliminary draft of the California Water Plan's water assumptions and estimates. This bill also restructures Water Code Section 10004 to be relevant to the CWP.

RESOURCES

AB 1948 by Assemblyman Dick Dickerson (R-Redding) -- This bill requires the Secretary of Resources to compile a report detailing major funding sources made available for watershed projects within the State since 1995. The report would include information on funding, performance measures, and management and administration of funds. The Secretary would update the report every three years, submit the report to the Legislature and the governor and make the report available on the Internet by November 1, 2001. The bill would become operative only if AB 2117 (Wayne) is enacted and becomes effective by January 1, 2001. (Please see signing message below.)

AB 1999 by Assemblyman Dick Dickerson (R-Redding) -- This bill declares the intent of the Legislature to continue expanding the Conservation Camp Program to increase the number of low-level inmates available for emergency and public benefit projects and to increase prison bed space. Subject to the appropriation of funds in the budget, this bill requires the California Department of Forestry and Fire Protection to reactivate 17 Conservation Camp crews to prevent and deal with fire, flood, earthquake, and other emergencies. Additionally, this bill requires the Resources Agency, after consulting with the Secretary of the Youth and Adult Correctional Agency, the California Conservation Corps, and other benefiting agencies, to prepare a report to the governor and the Legislature on Conservation Camp needs and future recommendations by November 1, 2001.

AB 2016 by Assemblywoman Virginia Strom-Martin (D-Duncans Mills) -- This bill appropriates \$580,000 from the General Fund to the State Lands Commission for allocation to the Humboldt Bay Harbor district for a dredging project. (Please see reduction message below.)

AB 2117 by Assemblyman Howard Wayne (D-San Diego) -- This bill requires the Secretary of the Resources Agency and the State Water Resources Control Board to jointly administer a pilot project to utilize three watershed projects to evaluate the effectiveness of existing law. It also requires an assessment of the level of cooperation between state, federal, and local agencies and other parties involved in watershed protection. The Resources Agency and the California Environmental Protection Agency would be required to submit a joint report to the Legislature by February 1, 2002, to evaluate the pilot projects and make recommendations on operating cooperative watershed projects.

AB 2581 by Assemblyman Abel Maldonado (R-San Luis Obispo) -- This bill improves the Department of Conservation's authority to compel compliance with existing laws for oil and gas well drilling, re-drilling, plugging and cleanup. Additionally, AB 2581 makes clarifying changes to existing law relative to deserted wells, appeal hearings, and specified fees. The bill also requires a report to the Governor and Legislature, on or before July 1, 2001, discussing blow-out insurance needs for exploratory wells drilled in areas of abnormally high subsurface pressure gradients.

AB 2825 by Assemblyman Jim Battin (R-Palm Desert) -- This bill expands Trade/Commerce Agency's recently enacted "Central Valley Agricultural Biomass-to-Energy Incentive Grant Program" to include projects from other parts of the state. This bill takes effect immediately.

SB 141 by Senator Adam Schiff (D-Burbank) - This bill establishes an uncodified provision, which will allocate a future appropriation to the Department of Parks and Recreation (DPR) to fund supplemental per capita grants to five cities and one recreation and park district. The chosen cities and recreation and park district will be from those that did not qualify for funding as either small cities or heavily urbanized areas under the provisions of the 2000 Park Bond. The appropriation will come from a fund source other than Proposition 12.

SB 203 by Senator Hilda Solis (D-El Monte) - This bill clarifies the territorial boundaries of the San Gabriel and Lower Los Angeles River and Mountains Conservancy. It permits the Conservancy to be known as the Rivers and Mountains Conservancy, and makes corrections to the names of the entities represented on the board. This bill will not expand the jurisdiction of the Conservancy.

SB 666 by Senator Byron Sher (D-Palo Alto) -- This bill removes language requiring that federal legislation be enacted before an abandoned mine program can begin within the Department of Conservation (DOC). Additionally, this bill would authorize the DOC Director to remediate or complete reclamation of abandoned mined lands under specified conditions. The provisions of this bill will be repealed January 1, 2003.

SB 698 by Senator Steve Peace (D-El Cajon) -- This bill authorizes the California State Lands Commission, with the concurrence of the City of San Diego and the San Diego Unified Port District, to enter into a land exchange agreement concerning tide and submerged lands at the San Diego Naval Training Center.

SB 1298 by Senators Debra Bowen (D-Marina Del Ray) and Steve Peace (D-El Cajon) - This bill requires the State Air Resource Board (ARB) to adopt emissions standards for distributed generation technologies exhibiting growth potential in the California energy marketplace. (Please see signing message below.)

SB 1300 by Senator Byron Sher (D-Palo Alto) - This bill requires the Air Resources Board to periodically review each local air district's emission credit program to ensure compliance with the Board's guidelines, and to develop additional performance standards for vapor recovery control systems. This bill also adjusts the local district matching requirement for the Carl Moyer Program if the Board determines it is necessary and further refines a number of other Board and local air district programs and activities.

SB 1906 by Senator Byron Sher (D-Palo Alto) - This bill makes technical and clarifying changes to the Beverage Container Recycling and Litter Reduction Act, and increases the Department of Conservation's authority to enforce the Act. The bill also delays a report to the Legislature concerning the impact of the statewide public education and information campaign by six months, from January 1, 2002 to July 1, 2002. In addition, the bill requires Conservation, after consultation with the recycling industry, to submit a report to the Legislature by March 1, 2001, outlining any recommended changes regarding enforcement of the Act.

SB 2049 by Senator Don Perata (D-Alameda) - This bill enacts the Naval Air Station Alameda Public Trust Exchange Act. It authorizes the California State Lands Commission to carry out an exchange of public trust lands within the Naval Air Station (NAS) property at Alameda, in accordance with the requirements of the bill. This bill also requires the commission to establish appropriate procedures for effectuating the exchange.

SB 2104 by Senator Bill Morrow (R-Oceanside) - This bill requires that the Office of Emergency Services develop a "guidance document" for use during agriculture-related disasters. This bill takes effect immediately.

ENVIRONMENT

AB 2317 by Assemblywoman Denise Moreno Ducheny (D-San Diego) - This bill creates the California Border Environmental and Public Health Protection Fund. The Secretary of the California Environmental Protection Agency will administer the funds to assist local governments in the implementation of projects to identify and address environmental and health threats due to the transmission of pollutants and toxins across the California-Mexico border. The Border Fund would be operative only in those years when funding is appropriated in the Budget Act or when money is available through private sources. (Please see signing message below.)

AB 1807 by Assemblyman John Longville (D-Rialto) -- This bill amends the California Environmental Quality Act to require a lead agency, which determines that an environmental impact report is required, to also send notice to the Office of Planning and Research. The bill also requires transportation information resulting from a reporting or monitoring program, currently sent to a regional transportation planning agency, to also be submitted to the Department of Transportation. (Please see signing message below.)

AB 1813 by Assemblyman Scott Wildman (D-Los Angeles) -- This bill codifies existing School Facilities Program practices. It clarifies that environmental hardship districts are subject to prescribed funding limits for the evaluation and removal of hazardous substances at sites to be acquired by districts. This bill also allows the Department of Toxics Substance Control to pre-qualify engineering and architectural contractors that help assess and clean up potential school sites.

SB 89 by Senator Martha Escutia (D-Montebello) - This bill requires the Secretary for Environmental Protection to convene a Working Group on Environmental Justice. This working group would assist Cal/EPA in developing an agencywide strategy to identify and address any gaps in existing programs, policies or activities that could impede the achievement of environmental justice. The bill also requires the Secretary to convene an advisory group to provide information and recommendations to the Working Group.

SB 2202 by the Senate Committee on Environmental Quality - This bill makes a number of changes to the municipal solid waste diversion requirements under the California Integrated Waste Management Act of 1989. Changes include: revision of the statutory requirement for 50 percent diversion to State that local governments divert 50 percent of all solid waste on and after January 1, 2000; allowing a local government to include factors that affect accuracy of the waste disposal calculation in its annual report to the Integrated Waste Management Board (IWMB); a requirement that the IWMB submit a report evaluating the existing disposal reporting system to the Legislature by January 1, 2002; revision of the procedure for issuing a notice of compliance to a local government.

SB 2203 by the Senate Committee on Environmental Quality - This bill revises the State laboratory certification requirements so they more closely match National Environmental Laboratory Accreditation Program (NELAP) accreditation requirements. SB 2203 also allows, in certain circumstances, laboratories that apply for NELAP accreditation to be exempt from State requirements. The bill also requires State certification fees to be set by regulation at a level that would allow the program to be entirely fee-supported beginning January 1, 2002.

SB 1924 by Senator Jack O'Connell (D-San Luis Obispo) - This bill revises the definition of recycled oil and the conditions under which used oil is managed as a hazardous waste. One of the significant changes will establish the

conditions by which used oil recyclers will be required to test recycled oil for additional waste constituents that may be present in the oil. The bill also exempts used dielectric fluid (various oils) from hazardous waste treatment requirements.

AB 2573 by Assemblyman Mike Briggs (R-Fresno) -- This bill exempts dielectric fluid that is filtered, replaced, and removed from oil-filled equipment.

SB 1824 by Senator David G. Kelley (R-Idyllwild) - This bill provides the Secretary of California Environmental Protection Agency (CalEPA) and counties not in compliance with the Certified Uniform Program Agencies (CUPA) with several options to form local CUPAs. It also establishes a Rural County Reimbursement Account (RCRA) in the State General Fund (SGF) and authorizes the Secretary to allocate up to \$60,000 per county to defray local costs. It requires affected counties to set local CUPA fees under a single fee system so that fee revenues, in conjunction with RCRA allocations, will meet necessary costs incurred by the county in implementing the unified program.

AB 2016 signing message

To Members of the California State Assembly:

On this date I have signed Assembly Bill No. 2016 with a reduction.

This bill would appropriate funding to the Humboldt Bay Harbor district to be used for navigation improvement and safety projects. Normally I oppose such local expenditures, however, the northern region of the state is experiencing unique economic difficulties. This bill would provide one-time economic relief for one of the major regions of the state with an economy that is not thriving. Therefore, I am signing this measure and reducing the appropriation to \$580,000.

Sincerely,

GRAY DAVIS

AB 1807 signing message

To the Members of the Assembly:

I am signing Assembly Bill 1807, which amends the California Environmental Quality Act (CEQA) to require a lead agency, which determines that an Environmental Impact Report (EIR) is required, to also send notice to the Office of Planning and Research (OPR). The bill would also require transportation information resulting from a reporting or monitoring program, currently submitted to a regional transportation planning agency, to also be submitted to the Department of Transportation (Caltrans).

In signing this measure, I am also directing OPR and Caltrans to implement the bill using existing staff resources.

Sincerely,

GRAY DAVIS

AB 1948 signing message

To the Members of the Assembly:

I am signing Assembly Bill 1948, which requires the Secretary of Resources to compile a report detailing major funding sources made available for watershed projects within the State since 1995. The report will include information on funding, performance measures, and management and administration of funds.

In signing this measure, I am directing the Resources Agency to implement the provisions of the bill within existing resources.

Sincerely,

GRAY DAVIS

AB 2317 signing message

To the Members of the Assembly:

I am signing Assembly Bill 2317, which creates the California Border Environmental and Public Health Protection Fund, administered by the Secretary of the California Environmental Protection Agency, to assist local governments in the implementation of projects to identify and address environmental and health threats due to the transmission of pollutants and toxins across the California-Mexico Border.

In the Budget Act of 2000, I approved \$2.7 million for efforts to assess and correct border pollution problems. I am not yet pursuaded that additional state funds are needed at this time. However, I would be open to redirecting existing monies to this new Fund, and would encourage securing federal, private and other funds for this program.

Sincerely,

GRAY DAVIS

SB 1298 signing message

To the Members of the Senate:

I am signing SB 1298, which would require the Air Resources Board to adopt clean emission standards for distributed generation technology.

This measure will help address the need for additional near-term electrical generation capacity without compromising air quality protections. Although a small number of distributed generation systems are now used, these facilities may play an important role in California's future electrical needs. The important standards set by this bill will ensure that the cleanest distributed generation systems reach the marketplace.

SB 1298 furthers my efforts to meet the state's electrical needs; therefore, I am directing the Air Resources Board to use resources appropriated by AB 970, Chapter 329, Statutes of 2000 to implement this bill.

Sincerely,

GRAY DAVIS

L00:146 FOR IMMEDIATE RELEASE September 25, 2000

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GOVERNOR DAVIS SIGNS LEGISLATION TO PROTECT SCHOOLS AND CHILDREN FROM DANGEROUS PESTICIDES

Pesticide Use Reform Bill Promotes Least-Toxic Pest Management Program; Creates Notification Program and Registry for Parents

LOS ANGELES—Governor Gray Davis today signed into law legislation that will notify parents when pesticides will be used at their children's school.

"Kids should not be exposed to dangerous and toxic materials when they go to school," Governor Davis said. "This bill is another step forward to providing a safe and healthy learning environment for our children."

Surrounded by children at Balboa Gifted Magnet School in Northridge, Governor Davis signed **AB 2260 by Assemblyman Kevin Shelley (D-San Francisco)**, which promotes least-toxic pest management programs for school districts. The legislation also creates an annual notification program that will send parents a list of pesticides that may be used at their children's school.

"To me, nothing is more important than the health and safety of our schoolchildren," said Governor Davis. "AB 2260 will help raise awareness of pesticide issues, while protecting our children's well-being."

The legislation, also known as the Healthy Schools Act of 2000, also provides a registry for parents who want to be advised before pesticide applications occur. When pesticides are used at schools, warning signs will be posted at treated areas 24 hours in advance of application and 72 hours thereafter.

The list of pesticides sent home to parents will also provide an Internet address for a Web site to be created by the California Department of Pesticide Regulation (DPR). The Web site will offer toxicological and other data about pesticides typically used at schools, as well as information on how to reduce pesticide use.

Other elements of AB 2260 will be incorporated into DPR's ongoing program to encourage least-toxic pest solutions in schools. DPR also sponsors workshops and provides grants to reduce school pesticide use and promote least-toxic alternatives.

The Governor's 2000-01 Budget includes \$5.2 million under his Children's Health Initiative to ensure that children are adequately protected from environmental pollutants, including:

- \$2.8 million to assist in investigations and provide technical assistance related to the cleanup of hazardous substances at school sites;
- \$1 million to evaluate indoor air quality in portable classrooms;
- \$843,000 to evaluate the cancer risk to children from exposure to non-air pollutants and to develop school risk assessment guidelines; and
- \$608,000 to establish voluntary programs to reduce pesticide use in schools.

L00:126 FOR IMMEDIATE RELEASE September 20, 2000

LEGISLATIVE UPDATE: RESOURCES AND THE ENVIRONMENT

SACRAMENTO—Governor Gray Davis signed the following legislation related to resources, the environment, and environmental health issues:

AB 1730 by Assemblyman Tony Cardenas (D-Sylmar) -- This bill appropriates \$1,514,000 General Fund and \$317,000 federal funds for increased lead poison screening tests for children who receive services from a State funded health program. In addition, the bill requires the Bureau of State Audits to conduct an assessment of the effectiveness of the existing Childhood Lead Poisoning Prevention Program and new regulations proposed by the Department of Health Services.

AB 1775 by Assemblyman Alan Lowenthal (D-Long Beach) -- This bill accelerates the deadlines under a rule adopted by the South Coast Air Quality Management Board relating to the enclosure of storage piles of petroleum coke.

AB 1877 by Assemblyman Abel Maldonado (R-Santa Maria) -- Local air districts require stationary sources of air pollution, such as factories, to use the best available control technology (BACT) to reduce emissions. This bill requires local air districts, upon request of any entity subject to BACT regulations, to review the reasonableness of emission requirements if the BACT equipment fails to reduce emissions at the level required by law, and revise the requirements if necessary.

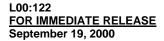
AB 2264 by Assemblyman Gil Cedillo (D-Los Angeles) -- This bill requires the State Department of Health Services, by January 1, 2002, to conduct a baseline health study of the effects of possible exposure to soil contamination from Polycyclic Aromatic Hydrocarbons on the residents of the William Mead Homes public housing project.

AB 2273 by Assemblywoman Dion Aroner (D-Berkeley) -- This bill authorizes the City of Richmond to enter into a land title settlement agreement and land exchange affecting the abandoned Ford Motor Assembly Plant located in the Richmond Harbor Development Area. The plant was built in 1931 and is listed on the National Register of Historic Places. The bill requires any exchanges or agreements entered into by the city be subject to approval by the California State Lands Commission.

AB 2930 by Assemblyman Tom Torlakson (D-Antioch) -- This bill makes technical changes relating to membership terms for members of the Delta Protection Commission and repeals the January 1, 2010 sunset date of the Commission.

SB 1583 by Senator Jim Costa (D-Fresno) -- This bill provides the State with a majority of members on the San Joaquin River Conservancy governing board by increasing the voting membership from nine to fifteen, converting nonvoting members to voting members, adding the Director of Finance and the Executive Officer of the State Lands Commission, and providing that three of the current voting members be appointed by the Governor instead of by local government entities.

SB 2095 by Senator Patrick Johnston (D-Stockton) -- This bill requires recycled water producers to notify local agencies if recycled water will be available within the boundaries of the local agency. The bill also requires the local agency to adopt and enforce a recycled water ordinance after such notification.



LEGISLATIVE UPDATE: ENVIRONMENT

SACRAMENTO—Governor Gray Davis signed the following legislation related to the environment:

ENVIRONMENT

AB 954 by Assemblywoman Dion Aroner (D-Berkeley) -- This bill requires the San Francisco Bay Conservation and Development Commission to consult with the State Department of Fish and Game to determine whether public access projects in sensitive habit areas are compatible with wildlife protection in the bay.

AB 2387 by Assemblyman Fred Keeley (D-Boulder Creek) -- This bill enacts the California Ocean Resources Stewardship Act of 2000 (CORSA). This non-governmental trust will fund and coordinate ocean resource management research between public and private governmental and non-governmental agencies, institutions and organizations that conduct ocean resource science in California.

AB 2746 by Assemblyman George Nakano (D-Torrance) -- This bill creates the Cruise Ship Environmental Task Force to evaluate environmental practices and waste streams of large passenger vessels.

AB 2254 by Assemblyman Martin Gallegos (D-Baldwin Park) -- This bill requires that not more than one third of all of the members of the State Mining and Geology Board be employed by, or receive compensation from, entities that own or operate mines.

SB 244 by Senator Hilda Solis (D-El Monte) -- This bill applies to the surface mining operations within the jurisdiction of the San Gabriel Basin Water Quality Authority. It requires lead agencies to notify the appropriate regional water quality control board (RWQCB) of surface mining operations that may impact groundwater. The RWQCB would be required to comment on groundwater quality, the potential impacts of the mining operation and the reclamation plan, the conduct of excavation and backfilling operations in contact with groundwater, and the impact of any proposed alternative land uses on groundwater quality.

L00:107 FOR IMMEDIATE RELEASE September 12, 2000

GOVERNOR DAVIS SIGNS ENVIRONMENTAL LEGISLATION

SACRAMENTO—Governor Gray Davis has signed the following legislation related to the environment:

AB 2283 by Assemblyman Dean Florez (D-Shafter) -- This bill requires the Air Resource Board (ARB) to report to the Legislature by 2002 on emission controls for seasonal pollution sources in the San Joaquin Valley. It also requires the ARB to appoint an advisory committee to assist in preparing the report. Air districts, when adopting control measures, must also note the basis for finding that the measure is cost-effective. (See signing message below.)

AB 2800 by Assemblyman Kevin Shelley (D-San Francsico) -- This bill enacts the Marine Managed Areas Improvement Act (Act) to establish a uniform classification system for state marine managed areas (MMAs). The bill replaces the existing 18 classifications for California's MMAs that were designated on an ad hoc basis, with six comprehensive, clearly defined categories.

AB 2848 by Assemblyman Marco Firebaugh (D- East Los Angeles) -- This bill requires that whenever a project requires both an environment impact report (EIR) under the California Environmental Quality Act (CEQA) and an environmental impact statement (EIS) under the National Environmental Policy Act (NEPA), the lead agency must notify the federal agency that is required to prepare the EIS of any scoping meeting for the proposed project.

SB 1522 by Senator Tim Leslie (R-Tahoe City) -- This bill authorizes the South Tahoe Public Utility District to provide recycled water to prevent the destruction of its Luther Pass recycled water pump station from a catastrophic fire if certain requirements are met.

SB 2035 by the Senate Environment Quality Committee -- This bill makes a variety of changes to the statutory provisions administered by the Department of Toxic Substances Control (DTSC). These changes are intended to update obsolete provisions and clarify ambiguities.

AB 2283 signing message

To the Members of the Assembly:

I am signing Assembly Bill 2283, which requires the California Air Resources Board to appoint an advisory committee to assist in preparing a report to the Legislature by 2002 on emission controls for seasonal pollution sources in the San Joaquin Valley.

I am directing the Board to implement the provisions of the bill using existing staff resources.

Sincerely,

GRAY DAVIS



GOVERNOR DAVIS ISSUES STATEMENT ON IRON MOUNTAIN MINE AGREEMENT

SACRAMENTO—The State of California and the federal government today reached a historic agreement with Aventis CropSciences USA, Inc. in the Iron Mountain Mine Superfund case. Governor Gray Davis issued the following statement on the agreement.

"This agreement is good for the environment and for the people of our state, especially those who count on the water and resources in the Sacramento River. It provides permanent funding for clean-up and remediation activities to prevent the Iron Mountain mine from further polluting the Sacramento River.

"In addition to the environmental benefits, taxpayers will benefit because the owners of the mine, not the taxpayers, will be required to pay for the clean-up.

"I also want to express my appreciation to the U.S. EPA for all of their hard work over the years in assisting the state in this effort to protect our natural resources. This agreement is an excellent example of government and the private sector working together to address a serious environmental problem."

The agreement will end nearly nine years of litigation and three years of settlement negotiations between the defendants, the State of California, and the United States. It will result in removal of approximately 95 percent of the metals that would otherwise flow into the Sacramento River from the Iron Mountain Mine site and severely impact the State's natural resources. The acid discharges from the Mine have damaged miles of creeks, killed fish, and caused significant impacts to the resources of the Sacramento River.

L00:214 FOR IMMEDIATE RELEASE October 1, 2000

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GOVERNOR DAVIS SIGNS ZERO EMISSIONS VEHICLE INCENTIVE BILL

SACRAMENTO—Governor Gray Davis has signed **AB 2061 by Assemblyman Alan Lowenthal (D-Long Beach)**, which creates a two-part grant program to reduce the incremental cost of new zero-emission vehicles (ZEV) and reduce the cost of alternative diesel fuel.

"The incentives in this new bill will make ZEVs a meaningful, long-term element of California's air quality strategy," Governor Davis said.

The program provides \$18 million over three years to provide grants of \$3,000 per year to people who purchase or lease ZEVs in an effort to defray the cost differential between ZEVs and conventional vehicles, and encourage ZEV use.

California's population is projected to grow 50 percent by 2030. Current driving trends show a doubling in annual vehicle miles traveled in the same time frame.

The California Air Resource Board's (ARB) ZEV program and Low Emission Vehicle (LEV) program are the major strategy for California to attain federal and State ozone standards. The original ZEV mandate was adopted in 1990. While increased production volumes and continued technology advancement would reduce vehicle costs, incentives and market assurances are needed to ease the transition to a self-sustaining ZEV market.



GOVERNOR DAVIS ANNOUNCES WINNERS OF STATE ENVIRONMENTAL AWARDS

SACRAMENTO

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Governor Gray Davis today announced the winners of the 2000 Governor's Environmental and Economic Leadership Awards. Secretary for Resources Mary Nichols and Cal/EPA Undersecretary C. Brian Haddix presented the awards at the State Railroad Museum in Sacramento.

"The awards this year once again prove that California is leading the world in innovative environmental solutions," Governor Davis said. "This year's recipients also show that employing exemplary practices and imaginative approaches to protecting the state's natural resources and environment also promote significant economic benefits."

Established in 1993, the Governor's Environmental and Economic Leadership Awards are the state's most prestigious environmental honor. Recipients are chosen from California organizations and companies for excellence in protecting the environment and conserving natural resources, while at the same time promoting compatible, sustainable economic development.

The 2000 recipients, by category, are:

Environmental Economic Partnerships:

- Collaborative for High Performance Schools
- Los Angeles and San Gabriel Rivers Watershed Council
- South Orange County Permit Consolidation Zone

Environmental Management:

- Riverside County Integrated Project
- City of Palm Desert Environmental Stewardship Program

Innovation:

- Container Recycling Alliance Optical Sorting of Recycled Glass
- Nissan North America, Inc. The Sentra CA

Environmental Restoration and Rehabilitation:

- Yolo Basin Foundation Yolo Bypass Working Group
- Mr. Roger Boddaert Project 2000

PR00:335 FOR IMMEDIATE RELEASE 12/19/2000

GOVERNOR DAVIS ANNOUNCES MAJOR ENVIRONMENTAL PROTECTION SETTLEMENT

Four Companies Agree to Pay \$73 Million to Clean Up DDT Contamination of California Coast

SACRAMENTO

Governor Gray Davis today joined with other state officials and the United States Department of Justice in announcing a major environmental protection settlement in which four companies will pay \$73 million to clean up DDT contamination and restore the ocean environment off the coast of Palos Verdes. Making the announcement along with Governor Davis were Attorney General Bill Lockyer, Resources Secretary Mary Nichols, and California Environmental Protection Agency Secretary Winston Hickox.

"This agreement resolves one of the most damaging chapters in California's environmental history," Governor Davis said. "It is an important step toward addressing the mistakes of the past, restoring the splendor of our ocean environment, and protecting the public health of all Californians."

In 1990, Governor Davis, then state controller, urged the California Attorney General to bring the case on behalf of the State Lands Commission.

Governor Davis added, "I applaud the US Justice Department, the California Attorney General's office, and all of the state and federal agencies involved for working so diligently to bring about this important agreement."

The settlement agreement, which must be submitted for approval to the United States District Court in Los Angeles, resolves a lawsuit brought by the California Attorney General and the US Department of Justice against Montrose Chemical Corporation of California, Aventis CropScience USA Inc., Chris-Craft Industries Inc., and Atkemix Thirty Seven Inc.

These companies owned or operated the Montrose DDT manufacturing plant in Los Angeles. The lawsuit, *United States/State of California v. Montrose Chemical Corporation of California, et al. (Case No. 90-3122-R)*, was filed under the federal Superfund law alleging that the four companies were responsible for releasing DDT and other hazardous substances into the environment.

The lawsuit was prosecuted jointly by the US Department of Justice and California Attorney General's Office with support from the eight state and federal agencies involved in the case. The California Attorney General brought the action on behalf of the California Department of Fish and Game, State Lands Commission and the Department of Parks and Recreation as state trustees for natural resources that had been injured by the DDT contamination including bald eagles and peregrine falcons. The state Department of Toxic Substances Control (DTSC) was added as a plaintiff because of its role as the lead state agency in responding to contamination which poses a risk to human health and the environment. The US Justice Department filed suit on behalf of the National Oceanic and Atmospheric Administration (NOAA), US Fish and Wildlife Service, National Park Service and the U.S. Environmental Protection Agency.

Attorney General Bill Lockyer also praised the settlement, stating, "We have a duty to protect Californians and our beautiful coast from pollution, and this settlement provides important funding for the cleanup and restoration of coastal areas that over the years were contaminated by DDT. This settlement also reflects the cooperative efforts of the state and federal agencies involved in prosecuting the case."

Between 1947 and 1971, the Montrose plant discharged DDT-laden waste into the Los Angeles County sewers that empty into the Pacific Ocean offshore Palos Verdes. An estimated 1800 tons of DDT went into the sewers, and Montrose also disposed waste that contained hundreds of tons of DDT at deep ocean dump sites located several miles from Catalina Island. The soil and groundwater at the Montrose plant property also are contaminated.

Resources Secretary Nichols, who oversees the state trustee agencies, said, "This settlement will help us rebuild bird populations and other wildlife resources to make up for decades of untold damage caused by DDT poisoning. There's an important lesson here: What we dump into the streets and pour down our sewers does not disappear. It goes back into the environment, where it can cause untold damage to wildlife and the environment for decades."

In the lawsuit, state and federal governments claimed the DDT was injuring natural resources, including birds and fish that live in and around Southern California coastal waters. It was noted that Montrose's releases through the sewer system caused the ocean bottom off Palos Verdes to be contaminated with over 110 tons of DDT. The sediment pollution spread over an area of some 17 square miles in a layer between a few inches thick to a more than a foot thick.

California EPA Secretary Hickox, whose agencies will work with the US Environmental Protection Agency in responding to the polluted sediments, stated, "This significant achievement demonstrates the impact of coordinated, sustained state regulatory functions. Cal/EPA is proud to participate through its Department of Toxic Substances Control, assisting the Attorney General and the Resources Agency by controlling these onshore hazardous materials waste products."

DDT is a manmade substance used widely as a pesticide from the 1940s until banned from use in the United States in 1972. Over the years, the hazards from DDT became clear with the chemical product being found to linger for years in the environment and cause cancer and reproductive problems for wildlife. Eggshell thinning caused bird species such as the brown pelican, bald eagles and peregrine falcons to disappear from Southern California coastal areas by the 1960s.

The governments previously reached settlements with the all the other parties to the case including the County Sanitation Districts of Los Angeles County and over 150 other local governmental entities in Southern California, and three other corporate entities that had discharged PCBs to the sewer system. With today's settlement, the governments will have recovered over \$145 million in this case.

Today's settlement directs the companies to pay \$30 million to the natural resource trustee agencies to rehabilitate the bird species and fishery resources that have been injured. This is one of the largest sums ever paid for environmental injuries resulting from pollution other than oil. The Department of Fish and Game, the State Lands Commission and the Department of Parks and Recreation will work with the NOAA, the U.S. Fish and Wildlife Service and the National Parks Service to develop restoration plans to rehabilitate the injured birds and fisheries.

Under the settlement the companies will pay \$33 million to the federal EPA and state DTSC to be used to isolate or otherwise address the offshore DDT contamination. U.S. EPA, with oversight from DTSC, has been investigating the feasibility and effectiveness of capping the contaminated sediments with clean, natural sediments. Also under the settlement, the companies will pay \$10 million into a court account, which will be used for either resource rehabilitation, further capping, or maintaining the cap, depending on how the contaminated sediments are addressed.

The proposed settlement will be published in the Federal Register and there will be a 30-day comment period. Written comments may be submitted to the Assistant US Attorney General, Environment and Natural Resources Division, US Dept. of Justice, 950 Pennsylvania Ave., NW, Washington, DC 20530.

For additional information contact:

Sandra Michioku, Director of Public Affairs Office of the Attorney General of California, (916) 324-5500

Stanley Young, Director of Communications California Resources Agency, (916) 653-5792

Jim Spagnole, Director of Communications California Environmental Protection Agency, (916) 324-9670 ~==

2001

PR01:070 <u>FOR IMMEDIATE RELEASE</u> 02/28/2001 11:45 AM

GOVERNOR DAVIS ANNOUNCES \$10 MILLION TO RESTORE STATE'S PUBLIC BEACHES 2/28/01

SACRAMENTO

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Governor Davis today announced \$10 million in grants to restore California's beaches.

The grants, administered by the Department of Boating and Waterways, are part of a concerted effort to stem the erosion that reduces the size of many public beaches. The new funding level - approved by the Governor in the State's 2000-2001 fiscal budget - constitutes a more than five-fold increase in the funding compared to previous years.

"California's beaches are a valuable ecological, economic and recreational resource," Governor Gray Davis said. "These grants will help cities and counties along the coast to restore public beaches and study new approaches to controlling seashore erosion."

Funded projects range from classic sand replenishment to dune restoration. Studies funded by the grants include an examination of the effects of waves on beach erosion and investigations into alternatives to seawalls, revetments and other large-scale "armoring" of the coast that often increases beach and coastal erosion along adjacent areas, and impact beach access and other coastal resources.

Since 1995 funding for "sand renourishment" projects and studies has averaged \$1.7 million annually. (Sand renourishment refers to the practice of placing sand on or adjacent to beaches to replace the sand that historically reached the shore through natural river and stream channels.)

Details of the individual grants follow:

SANDAG Regional Beach Restoration Project - \$1,236,500

Supplements beach restoration funds to place 2 million cubic yards of sand, in 12 sites, for the San Diego Regional Beach Restoration Project. The U.S. Department of Defense is a \$9.6 million partner in this project. Includes Cities of Imperial Beach, San Diego, Del Mar, Solana Beach, Encinitas, Carlsbad and Oceanside. Previously, the Department has provided \$4.7 million in funding for this project.

Surfside-Sunset Project - \$3,850,000

Replenishment for the Surfside-Sunset Beach, a feeder beach that nourishes 17 miles of shore between Seal Beach and Newport Beach. The U.S. Army Corps of Engineers' (COE) cost share is \$9.7 million.

City/County of San Francisco - \$1,000,000

Renourishment of Ocean Beach along the Great Highway.

City of Encinitas - \$400,000

Matching funds for a \$1.6 million COE feasibility study on shore protection and beach restoration alternatives along six miles of north San Diego County shoreline.

City of Solana Beach - \$400,000

Matching funds for a \$1.6 million COE feasibility study on shore protection and beach restoration alternatives along 2.5 miles of north county shoreline.

Los Angeles County - \$500,000

Partial funding provided for a five-year, Coast of California Study for Los Angeles County undertaken in cooperation with the County and the COE.

Goleta County Beach, BEACON - \$650,000

A cooperative project between the California Department of Boating and Waterways, California Coastal Conservancy and BEACON to restore Goleta County Beach with 250,000 cubic yards of sand "BEACON" is the Beach Erosion Authority for Clean Oceans and Nourishment.

City of Carpinteria - \$200,000

Matching funds for a \$800,000 COE feasibility study for shore protection and beach restoration alternatives along the shoreline of Carpenteria.

City of Port Hueneme - \$129,500

A dune restoration and replanting project adjacent to the city's beach park.

City of Long Beach - \$100,000

Matching funds for an \$800,000 COE feasibility study for shore protection and beach restoration along Peninsula Beach.

City of Seal Beach - \$113,750

Matching funds for a \$2.5 million COE feasibility study to increase the interval between nourishment cycles of the Surfside - Sunset Project.

City of Huntington Beach - \$255,250

Matching funds for the \$1.02 million COE feasibility study on shore protection and beach restoration along the Huntington Bluffs area.

City of Newport Beach - \$40,000

Funds the costs of a feasibility study for Balboa Island Beach Restoration Project. The City desires to restore a beach along the southern one-half mile stretch of Balboa Island.

City of San Clemente - \$425,000

Matching funds for the \$1.7 million COE feasibility study on shore protection and beach restoration alternatives.

Southern California Beach Processes Study, Scripps - \$500,000

A five-year study to measure the effects of waves on sediment transport and to calibrate a sediment transport model to the west coast wave regime. This study reflects the Governor's message concerning priority funding for research to determine what actions would prevent beach erosion.

City of Imperial Beach - \$200,000

Matching funds for the \$1 million COE design effort for a beach restoration project in Imperial Beach.

PR01:107 <u>FOR IMMEDIATE RELEASE</u> 03/21/2001

GOVERNOR DAVIS AND PRESIDENT FOX ANNOUNCE AGREEMENTS TO IMPROVE BORDER REGION'S ENVIRONMENT

SACRAMENTO

Cleaner air and water and a sustainable environment are the goals of three cooperation agreements announced today by California Governor Gray Davis and Mexican President Vicente Fox. The agreements were announced as Governor Davis hosted President Fox during his first visit to California as President of Mexico.

California and Mexican officials formalized plans to begin smog checks in Tijuana; cleanup industrial waste water in three border cities and promote greater cooperation to protect and enhance the environment in the Sea of Cortez area.

"These agreements underscore the joint vision of our two governments," said Governor Gray Davis, "Smog Check Tijuana is the most ambitious smog-check program of any Mexican city in the border region. The Sea of Cortez agreement will help preserve that Baja California body of water. These efforts are strong examples of regional cooperation."

The agreements will:

Help the city of Tijuana implement a smog check program (based on California's equipment and techniques) to reduce vehicle emissions to Mexican government standards. The agreement provides for technical assistance in training of inspectors and advice in the design and construction of Tijuana's first smog check facility. Inspections will begin with the municipal fleet of 8,000 automobiles and 2,000 other vehicles.

Tijuana is part of the same air basin as San Diego. In addition 50,000 cars cross the border into California on an average day.

In the joint declaration on the Sea of Cortez the California and Mexican governments recognize the unique stature of the body of water in Mexico's ecology and the fact that Californians have a longstanding relationship to the area. The declaration pledges cooperation at the governmental, academic and private levels for sustainable development and additional study of the region.

Eco-tourism is one of the engines that can drive the economy of the interior of Baja California. The sustainable development of the area will benefit residents on both sides of the border in what the document calls a "shared watershed."



GOVERNOR DAVIS ANNOUNCES AGREEMENT WITH US EPA INVOLVING THE CASMALIA AND STRINGFELLOW HAZARDOUS WASTE SITES

SACRAMENTO

Governor Gray Davis today announced that California has reached a \$114.5 million agreement with the U.S. Environmental Protection Agency (US EPA), involving the Stringfellow and Casmalia hazardous waste sites. The agreement over California's highest priority cleanup sites will save the State an estimated \$35 million.

"For decades, Stringfellow and Casmalia have posed significant risks to human health and the environment," Governor Davis said. "This settlement with the Federal government is an important step toward final resolution of the contentious litigation that has plagued and sometimes hampered the cleanup of these sites."

Eighteen years ago, the State-owned Stringfellow Hazardous Waste Site became the focus of a massive civil lawsuit involving the United States, the State of California and more than 100 private companies who used the Stringfellow Site for disposal of their waste. Multiple trials resulted in the State being found liable (because of its role in establishing, owning and operating the Site) for a majority of the cleanup costs, including more than \$150 million incurred by the Federal government. During cleanup work at the Stringfellow Site, some waste from the Stringfellow Site was transported to the Casmalia Resources Facility, a hazardous waste disposal site in Santa Barbara County.

Over the years, total expenditures at the Stringfellow Site, by all parties, have been estimated at more than \$300 million, including interest, for investigation and cleanup work. Payment of the Federal costs has been a significant obstacle to settlement of this litigation.

Through the agreement announced today, the United States will accept \$99.4 million in full satisfaction of the past Federal expenditures at the Stringfellow Site. The Federal government has also agreed to accept \$15 million to resolve alleged State liability for cleanup of the Casmalia Site. The agreement allows payment of the total of \$114.5 million for both cases by the end of July, without interest.

In a separate lawsuit, California has sued several of its insurance carriers including Lloyds of London, seeking reimbursement of past and future expenditures related to the Stringfellow Site. The agreement with the United States does not affect this litigation.

PR01:121 <u>FOR IMMEDIATE RELEASE</u> 04/18/2001

GOVERNOR DAVIS ANNOUNCES \$3 MILLION INCREASE FOR URBAN STREAMS RESTORATION PROGRAM

SACRAMENTO

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Governor Gray Davis today announced approval of an additional \$3 million in Proposition 13 funding for urban streams restoration.

"This added funding will help meet flooding and erosion challenges and other watershed issues while maintaining the natural values of creeks," said Governor Davis.

The current amount budgeted in Fiscal Year 2001-2002 for local assistance on urban streams is \$7 million, so the added funding will increase such investments to \$10 million. This funding will help California cities deal with problems of contaminated storm water, flooding and erosion damage.

The Urban Streams Restoration Program, administered by the Department of Water Resources (DWR), provides technical assistance and grants for communities seeking to solve local flooding and erosion, while enhancing natural values of streams.

The increased funding is consistent with CALFED program priorities and with views recorded in a 1999 survey by the Urban Creeks Council of California.

Since 1989, the program has provided more than \$6.4 million in funding to 185 projects. It requires that all grants be sponsored by a partnership between a local agency and a local citizens' group and requires significant public involvement in project implementation.



GOVERNOR DAVIS ANNOUNCES FUNDING INCREASE TO HELP MEET STATE'S WATER NEEDS

SACRAMENTO

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Governor Davis today announced a spring budget revision adding \$101.6 million in local assistance funds under the Proposition 13 Water Bond for water conservation and groundwater storage.

"Last March, we made a historic investment in California's economic, agricultural and environmental future - this funding furthers that investment," Governor Davis said. "Our success as a people depends upon our ability to keep an ample water supply that is clean and drinkable for us, our children, and the generations that are yet to come."

The budget augmentation will assist local agencies in providing reliable water supplies and develop more efficient water conservation programs.

Major funding of \$91 million was added for groundwater storage program efforts to help local agencies implement more effective water management practices to deal with possible future dry years. This funding is consistent with recommendations in the Governor's Advisory Drought Planning Panel report submitted to the Governor this winter.

The Governor also added \$10.6 million to help local agricultural and urban entities conserve water effectively in years when water supplies are low.

The Governor added \$4.8 million for the Agricultural Water Conservation Program and \$5.8 million for urban water conservation programs.

Voters approved Proposition 13 - the Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Act - on March 7, 2000 to address California's water infrastructure needs. The Governor's budget revision augments second year funding for agricultural and urban water conservation grant/loan applications as well as for groundwater applications. Prior to the spring revise, the Governor's budget contained \$7,380,000 for the programs.

PR01:245 FOR IMMEDIATE RELEASE 05/24/2001

STATEMENT BY GOVERNOR DAVIS ON FEDERAL LEGISLATION FOR CAL-FED PROGRAM

SACRAMENTO

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Governor Gray Davis issued the following statement on legislation introduced by U.S. Senator Dianne Feinstein (D-CA) and U.S. Representative Ken Calvert (R-CA 43rd) to reauthorize the CALFED Bay-Delta Program:

"I want to commend Senator Feinstein and Congressman Calvert for their leadership in proposing legislation to reauthorize the CALFED Bay-Delta Program," Governor Gray Davis said. "These bills will help advance the most far-reaching water management and ecosystem restoration program in the country.

"With many areas suffering shortages because of dry conditions this year, it is crucial that California press forward with all possible speed to set in place the new, comprehensive and balanced approach of the CALFED program to help secure the State's water future.

"California's efforts to ensure an adequate supply of water, bolster water quality and improve the environment of the Sacramento-San Joaquin Delta are directly tied to Congress' ability to reauthorize and adequately finance the CALFED Program. I look forward to working closely with Senator Feinstein, Congressman Calvert and other members of the California Congressional Delegation on this critical issue in the months ahead."



GOVERNOR DAVIS URGES FEDS TO GRANT CALIFORNIA'S REQUEST FOR OXYGENATE WAIVER 05/22/2001

SACRAMENTO

Governor Gray Davis today sent the following letter to President George W. Bush, urging the President to direct the U.S. Environmental Protection Agency to grant California's request for a waiver of the Federal Minimum Oxygen Requirement:

President George W. Bush White House, 1600 Pennsylvania Avenue, N.W. Washington, D.C. 20500

Dear President Bush:

I am writing to request that you direct the U.S. Environmental Protection Agency to grant California's request for a waiver of the Federal Minimum Oxygen Requirement in gasoline.

California has long been engaged in pioneering efforts to reduce the contribution of motor vehicles to air pollution. As a result of our efforts, California has in recent years experienced a dramatic improvement in air quality. The State has been granted unique authority by the Clean Air Act and the Environmental Protection Agency to administer a State fuels program to reduce motor vehicle emissions. California is the only area in the country where the Federal reformulated gasoline requirements apply in conjunction with comprehensive and demonstrably more effective State standards for cleaner burning gasoline. The California regulations provide complete assurances that a waiver of the Federal Minimum Oxygen Requirement will not result in a loss of any air quality.

Our regulations accomplish the needed emissions reductions without requiring a minimum level of oxygen. Numerous assessments by government agencies, automotive companies and fuels industry experts confirm that a minimum oxygen content is not essential to making reformulated gasoline that meets all emission reduction requirements. Therefore, application of the current minimum oxygen content requirement serves absolutely no purpose in California relative to its intended air quality rationale - to reduce ozone precursors and toxic emissions from vehicles.

In addition to these compelling air quality arguments, gasoline price and supply concerns are growing. The outlook for gasoline supplies throughout the United States this summer is particularly grim. Retail prices are already approaching record levels in many regions of the country, particularly in California. It is imperative that all appropriate steps be taken to minimize the economic burden to consumers and the economy by reducing the mandated use of oxygenates in California's reformulated gasoline.

California's goal to eliminate the use of MTBE from gasoline and to ensure an adequate supply of gasoline for motorists is endangered without a waiver of the Federal Minimum Oxygen Requirement. Without the waiver, California consumers will pay a minimum of \$450 million more a year for reformulated gasoline. A waiver would allow refiners and marketers to use reduced quantities of ethanol during periods of time when supplies are inadequate to meet demand. Supply disruptions can result in a rapid increase in gasoline prices that can persist for several weeks and result in costs to California consumers of nearly \$650 million per month.

Rarely is there an opportunity for the Federal Government to take decisive action that can alleviate unnecessary costs in the short term and minimize the potential for gasoline shortages in the long term. Mr. President, I believe that you understand the urgency of this request and have the foresight to direct the Environmental Protection Agency to grant California's request for a waiver of the Federal Minimum Oxygen Requirement.

Sincerely,

GRAY DAVIS

In March of 1999, citing a UC Davis study that found MTBE poses an environmental threat to groundwater and drinking water, Governor Davis issued an Executive Order directing a removal of MTBE by December 31, 2002. In April of 1999, the State of California formally requested a waiver from the U.S. EPA's Federal Minimum Oxygen Requirement.

For more information on the basis for California's waiver request, go to the following links: http://calepa.ca.gov/Programs/mtbe/GovUSEPA.htm http://calepa.ca.gov/Programs/mtbe/O2Waiver.htm L01: 011 <u>FOR IMMEDIATE RELEASE</u> 05/06/2001

GOVERNOR DAVIS SIGNS LEGISLATION GRANTING FUNDS FOR CALFED PROJECTS

SACRAMENTO

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Governor Gray Davis today signed into law SB 23 by Senator Jim Costa (D-Fresno), which makes available \$135 million in state funds to carry out key projects in the CALFED Bay-Delta Program.

"SB 23 provides the needed funds to resolve water issues at the local level," Governor Davis said. "It also advances CALFED's goal of providing a reliable water supply to the State by strengthening partnerships with local and regional communities throughout California."

SB 23 allows the Department of Water Resources (DWR) to spend \$135 million for CALFED projects. The Governor's signature follows Assembly passage of the measure by a vote of 57-10.

Specifically, SB 23 provides funds for the following purposes:

\$53.5 million in local assistance programs:

- Statewide grants for water conservation programs: \$15 million
- Local grants for groundwater monitoring and management: \$5 million
- Watershed/ecosystem restoration programs: \$20 million
- Drinking Water Quality Programs: \$13.5 million

\$62 million in Delta and systemwide programs:

- Fish screen test facility at Tracy: \$3 million
- Purchases for the Environmental Water Account to resolve fishery and water diversion conflicts in the Delta: \$59 million

19.5 million for future decision-making:

- Science program support: \$13 million
- Environmental compliance and public involvement: \$6 million
- Water transfers program: \$.5 million

Individual projects will be awarded funds after an extensive technical and scientific evaluation of projects solicited from local communities throughout California.

The CALFED program is a cooperative effort of 23 state and federal agencies. Its purpose is to improve ecosystems and water quality, enhance water supply reliability, and ensure the integrity of levees and channels in the Sacramento/San Joaquin and in the San Francisco Bay. CALFED completed its final programmatic Environmental Impact Statement and Environmental Impact Report in July 2000, and issued its Record of Decision in August 2000 that establishes a plan for implementation to be carried out over the next 30 years.

A copy of Senate Bill 23 can be viewed at www.leginfo.ca.gov/bilinfo.html. For more information about the CALFED Program, visit the web site at http://calfed.ca.gov.



GOVERNOR DAVIS ANNOUNCES \$54.8 MILLION IN PROJECTS TO ADDRESS CALIFORNIA'S WATER NEEDS

Projects Crucial as State Faces Dry Year

SACRAMENTO

Governor Gray Davis today announced \$54.8 million in grants and loans to help secure California's water supply through the CALFED Bay-Delta Program. The projects are the latest in a series of state funding for the Program that total more than \$500 million this year.

"These projects continue the important progress CALFED is making today to address California's water problems," Governor Davis said. "In this year of limited rainfall and low reservoirs, CALFED is proving that it has the balanced set of solutions that California needs to secure its water supply in the future."

The projects, funded by the Department of Water Resources through the 2000 Water Bond (Proposition 13) and other state funds, range from pilot groundwater storage projects to installation of ultra-low flush toilets to local watershed planning and assessment projects throughout the state.

"Many of these projects take a far reaching and innovative approach to addressing California's water issues," said Mary D. Nichols, California Secretary for Resources, who unveiled the projects during the CALFED Policy Group Meeting Thursday, June 14, 2001 at the Sacramento Convention Center. "Along with the scores of other CALFED projects already underway throughout the state, they make a significant down payment on guaranteeing reliable water supplies across California."

Secretary Nichols was joined by CALFED Director Patrick Wright and Sue Ellen Wooldridge, deputy chief of staff for the U.S. Secretary of Interior. "These projects demonstrate that the CALFED Program is delivering on its promise to meet the most pressing water needs of local communities," said Wright. "For the first time ever, all funds were awarded through a highly competitive grant process to ensure that only the highest quality projects were selected."

The CALFED Bay-Delta program is a cooperative effort of 23 State and Federal agencies. Its purpose is to improve ecosystems and water quality, enhance water supply reliability, and ensure the integrity of levees and channels in the San Francisco Bay/Sacramento-San Joaquin Delta Estuary. The Delta is the heart of the state's water supply system and is the source of drinking water for 23 million Californians. The Program also focuses on strengthening partnerships with local and regional communities to build on collaborative efforts to address water issues.

For more information about these projects or the CALFED Program, contact Bruce Lang in CALFED Public Affairs at (916) 653-5760 or write to CALFED Bay-Delta Program, 1416 Ninth Street, Suite 1155, Sacramento, CA 95814 or log onto http://calfed.ca.gov.

PR01:288 FOR IMMEDIATE RELEASE 06/12/2001

STATEMENT BY GOVERNOR GRAY DAVIS ON BUSH ADMINISTRATION DENIAL OF CALIFORNIA'S OXYGENATE WAIVER REQUEST

SACRAMENTO

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Governor Gray Davis today issued the following statement on the decision by the U.S. Environmental Protection Agency's denial of California's request of a waiver of the Federal Minimum Oxygen Requirement in gasoline:

"I'm extremely disappointed with the Bush Administration's decision today to deny California's waiver request," Governor Davis said. "Their decision means significantly higher gasoline prices at the pump and calls into question whether California will have an adequate gas supply. Moreover, the decision by the Bush Administration does nothing to improve air quality."

According to the California Energy Commission, California consumers will now pay at least \$450 million more per year for their gasoline because refineries must invest in more expensive equipment with higher operating costs in order to use ethanol.

In addition, the California Energy Commission estimates that if ethanol supplies are inadequate or if refineries encounter problems in their race to install special equipment, California consumers could see gasoline shortages and price spikes of as high as 50 cents per gallon. This equates to an additional \$650 million per month.

This waiver would have provided California's refiners with the needed flexibility to ensure cleaner air, ground, and surface water, while ensuring affordable and available gasoline for California's consumers.

"I have asked the Secretary of California's Environmental Protection Agency, Winston Hickox, to immediately evaluate what this disappointing decision means for California and to report back with options for moving forward within 90 days," Governor Davis said.

PR01:274 FOR IMMEDIATE RELEASE 06/04/2001

GOVERNOR DAVIS ANNOUNCES \$32 MILLION IN GRANTS AND LOANS THROUGH CALFED PROGRAM 06/04/2001

SACRAMENTO

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Governor Gray Davis today announced a list of studies, programs and projects that will benefit from \$32 million in grants and loans have been approved through the CALFED Bay-Delta Program to better manage California's water resources.

"More than \$15 million of these funds are earmarked for San Joaquin Valley projects," Governor Davis said. "These programs will provide a tremendous benefit to the Central Valley in terms of creating water storage and conserving our precious water supplies."

The grants come from Proposition 13 (the Safe Drinking Water, Clean Water, Watershed Protection, and Flood Control Bond Act) and from Senate Bill 23 of the 2000-2001 legislative session, authored by Senator Jim Costa (D-Fresno). \$12 million of the total is under SB 23 for Water Use Efficiency Grants.

That money pays for agricultural and urban water use efficiency projects that demonstrate contributions toward reducing irrecoverable losses, attaining water quality benefit and/or attaining environmental benefits.

\$18.5 million in Prop 13 grants goes for groundwater storage and recharge and another \$1.5 million for urban water conservation loans and feasibility study grants. The overall program encompasses more than 90 projects with the total cost reaching more than \$96 million. State grants and loans leverage local contributions.

The CALFED Bay-Delta Program is a cooperative effort among state and federal agencies, stakeholders, and the public. The CALFED Bay-Delta Program's mission is to develop a long-term comprehensive plan that will restore ecological health and improve water management in the Bay-Delta system.

Please see www.governor.ca.gov for a breakdown of funded projects.



GOVERNOR DAVIS SUES U.S. EPA OVER GASOLINE ADDITIVE 8/13/2001

SACRAMENTO

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Governor Gray Davis today announced that California is suing the U.S. Environmental Protection Agency (EPA) to force the agency to drop a fuel additive requirement that will increase gasoline costs and air pollution.

"EPA made a decision that failed to follow sound science," Governor Davis said. "The EPA simply ignored the voluminous information we sent them showing that ethanol does nothing to clean the air and actually increases air pollution. We regret having to take this action, but we are left with no choice. California residents should not have to pay more for gasoline and suffer from increased air pollution."

The suit, filed in San Francisco's Ninth Circuit Court by the California Environmental Protection Agency's Air Resources Board (ARB), asks that the U. S. EPA drop its requirement that oxygenates be added to 70 percent of California gasoline.

ARB maintains that the U.S. EPA ignored extensive information that ethanol, the only oxygenate that will be available in sufficient quantity to California refiners in 2003, will drive up the cost of gasoline while increasing smog-forming nitrogen oxide (NOx) and cancer-causing particulate matter (PM) pollution.

Scientific studies have shown that gasoline formulated to California standards, which are stricter than U.S. EPA standards, burns cleaner without oxygenates such as ethanol. The studies also show that oxygenates in gasoline increase NOx emissions and the formation of ozone and PM. The federal oxygenate requirement is, however, seen as a boon to midwestern agri-business interests, which produce ethanol from corn.

California would need at least 660 million gallons of ethanol each year under the federal oxygenate mandate. Disruption in ethanol supplies would bring sharp gasoline price spikes to California consumers.

The waiver request came after Governor Davis signed an executive order banning the oxygenate MTBE by December 31, 2002. MTBE in gasoline can cause water pollution. On June 12, the U.S. EPA announced the rejection of California's waiver request.

If the EPA's action is allowed to stand, California would be hindered in its attempts to meet the ozone and PM clean air standards that the EPA has set.



CALIFORNIA POWER PLANT POLLUTION DOWN 25 PERCENT 9/21/2001

Governor Keeps Commitment to Increase Generation with Cleaner Power Plants

SACRAMENTO

Governor Gray Davis announced that California has been successful at meeting the state's energy needs while reducing air pollution from power generators by approximately 25 percent. The Governor cited a report issued by the California Environmental Protection Agency's Air Resources Board.

"California has made good on the promise to protect our air while powering the state," Governor Davis said. "It's no accident that people who care about the environment favor new power plants. They are cleaner than old ones. We are also making sure that older plants are retrofitted with the most up to date equipment."

Governor Davis' actions to streamline power plant construction and operation, energy conservation and broader use of emission control equipment applied to power plants, helped generate adequate energy supplies while protecting air quality. According to ARB data, California power plants reduced nitrogen oxides emissions (a major precursor to ozone formation) to about 84 tons per day so far this year compared to 111 tons per days in 2000. The 27-ton per day reduction is largely attributed to better pollution control equipment and the inherent advantages of newer plants. (As examples, a new combined-cycle plant is three times cleaner than an older plant with selective catalytic reduction "SCR" pollution control equipment and 35 times cleaner than a plant without SCR.)

Governor Davis' leadership in limiting market manipulation and fast-tracking the construction of new power facilities while requiring the newest emission control technology satisfied California's need for energy while addressing air quality concerns. California residents and businesses reduced overall monthly peak power demand by 10 percent from 2000 to 2001. Near-average summer temperatures with no extensive heat waves also played a significant role in reducing energy consumption. All of these factors resulted in no rolling blackouts, few days with power emergencies and lower prices on the spot market.

The coordination of local air districts, the California Energy Commission (CEC), Independent System Operators, U.S. Environmental Protection Agency and the ARB resulted in a significant increase in power generation:

- Air districts approved 36 projects, totaling 3,020 megawatts (MW)
- 10 projects used the CEC's 21-Day process
- 11 plants are online this year to date, totaling 1,790 MW
- 21 plants are currently under construction
- 17 existing plants received emission control retrofits

Future plans for power generation in California's include a goal of adding 15,000 MW by 2004. The California Power Authority's plans include targeting a 15 percent power reserve, diversifying resources and expanding the use of renewables while maintaining high levels of energy conservation.

The clean up of older, higher emitting power plants will also proceed, producing steady progress in reducing emissions from electrical generation sources.

Through continued cooperation among the public and private sectors, the additional electrical capacity is expected to result from:

- 21 approved projects still to come on-line, totaling 9,628 MW
- 21 projects still under review with the CEC, totaling 10,000 MW
- 28 new projects expected to file with the CEC, totaling 9,422 MW

For more information about how California is meeting the energy challenge, please see the ARB's Web site or the Flex Your Power Web site at the links below.

http://www.arb.ca.gov/energy/energy.htm http://www.flexyourpower.ca.gov/state/fyp/fyp_homepage.jsp



LEGISLATIVE UPDATE: RESOURCES AND THE ENVIRONMENT 10/14/2001

SACRAMENTO

Governor Gray Davis has signed the following legislation related to Resources and the Environment:

AB 343 by Assembly Member Patricia Bates (R-Laguna Niguel) authorizes the State Coastal Conservancy (SCC) to provide educational grants to schools and nonprofit organizations. The bill also authorizes the SCC to redirect existing Bel Marin Keys restoration funds to acquire the Bahia property, and exempts the Hamilton Air Force Base wetland restoration project from the Public Works Act. Link below to view the signing message.

AB 414 by Assembly Member John Dutra (D-Fremont) exempts the disposal of lead contaminated soils by a state or local agency from the hazardous waste requirements, provided that the soil is in the right-of-way of an existing highway. The bill also extends the sunset date, from July 1, 2003 to July 1, 2006, requiring certain wastes (copper, nickel, or lead) to continue being disposed of at a Class I hazardous waste facility. Link below to view the signing message.

AB 621 by Assembly Member Ellen Corbett (D-San Leandro) requires the Independent System Operator and other electricity providers to notify local air quality districts of all nonresidential customers that have interruptible service contracts or similar arrangements.

AB 910 by Assembly Member Howard Wayne (D-San Diego) modifies the process by which a government entity may condemn wildlife conservation easements acquired by another state agency. This bill requires the condemning entity to consult with the state easement holder, respond to objections, and prove that the proposed use for the land is more necessary than use for a conservation easement.

AB 972 by Assembly Member Thomas Calderon (D-Montebello) requires school districts to utilize a public notice format, developed by the Department of Toxic Substances Control (DTSC), prior to beginning work on preliminary endangerment assessments (PEA). The bill also allows districts to hold the public comment period for the PEA and the environmental impact report together, or separately, and requires school districts to publicly notice that a PEA has been submitted to DTSC in a local newspaper or prominently post the information.

AB 1329 by Assembly Member Alan Lowenthal (D-Long Beach) reestablishes an expired statutory section that exempts hazardous waste facilities operating on-site testing laboratories from Department of Health Services certification. The bill also requires that the offsite recycling of certain hazardous oily waste waters be conducted at authorized hazardous waste facilities.

AB 1481 by Assembly Member Dario Frommer (D-Los Feliz) authorizes the Department of Parks and Recreation to develop a competitive grant program using criteria referenced in the bill to fund the acquisition and/or development of new urban park and recreation facilities.

AB 1532 by Assembly Member Fran Pavley (D-Agoura Hills) requires a lead agency, as designated by the California Environmental Quality Act, to call at least one scoping meeting for a project that has statewide, regional, or area-wide significance. The bill also requires the lead agency to provide notice of the meeting to specified entities. AB 1532 clarifies that transportation information for a proposed project be submitted to Caltrans.

AB 1664 by Assembly Member Fran Pavley (D-Agoura Hills) clarifies and reconciles existing law regarding water quality enforcement and makes it more efficient for the State Water Resources Control Board and Regional Water Quality Control Boards to conduct enforcement activities.

SB 100 by Senator Maurice Johannessen (R-Redding) creates a Smog Check and emission control equipment exemption for up to 500 "kit" cars each year. The cap will limit the amount of additional air pollutants from this new exemption. Link below to view the signing message.

SB 359 by Senator Kevin Murray (D-Los Angeles) creates two new grant programs administered within the Department of Parks and Recreation for the development of youth soccer, baseball and basketball facilities, environmental education, urban parks, outdoor recreation and after school programs for school children. Link below to view the signing message.

SB 528 by Senator Byron Sher (D-Palo Alto) improves the ability of the Department of Conservation to protect the Container Recycling Fund from fraud.

SB 766 by Senator President John Burton (D-San Francisco) would allocate \$140 million in bond funds from AB 1602 (see below) to the urban parks grant program in AB 1481 (above) and \$50,000 for programs in SB 359 (above). For this bill to be enacted, AB 1602 must be approved by the voters on the March 5, 2002 ballot.

Yesterday, Governor Davis signed AB 1602 by Assembly Member Fred Keeley (D-Boulder Creek) which will let voters decide on the March 5, 2002 ballot whether to approve \$2.6 billion in general obligation bonds to be paid over the next 25 years. Link below to view the signing message.

The Governor VETOED AB 104 by Assembly Member Joe Nation (D-San Rafael) which would have increased fees on Bay Area motorists to help address motor-vehicle related water pollution. In his veto message, Governor Davis noted that he had signed AB 1602, which, if approved by voters, would include funds to mitigate the effects of pollution caused by motor vehicles. Link below to view the VETO message.

AB 104 veto message

To Members of the California State Assembly:

I am returning Assembly Bill 104 without my signature.

This bill would increase fees on every San Francisco Bay Area motorist by up to \$4 without a vote of the electorate for the purpose of funding water quality projects that mitigate the effects of pollution caused by motor vehicles.

I have supported and the state has provided substantial funding for these types of important projects. Proposition 13, approved by the voters last year, provides

\$190 million for water quality nonpoint source projects and \$90 million for watershed protection and pollution prevention projects. In addition, I have just signed Assembly Bill 1602, which if approved by the voters on the March 2002 statewide ballot, will provide additional funds to protect our natural resources, including funds that can help address motor vehicle-related water pollution. Specifically, AB 1602 includes \$300 million for water quality projects to protect our beaches, lakes, streams and rivers from pollution.

Given the rapid decline of our economy and increasing layoffs, the amount of money this program would raise does not warrant the additional burden on the motoring public.

Sincerely,

GRAY DAVIS

AB 1602 signing message

To the Members of the California Legislature:

I am signing Assembly Bill 1602, which places the Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Bond Act before the voters on the March 2002 statewide ballot.

Last year, I actively supported Proposition 12, the largest resource bond in State history to be approved by the voters. Proposition 12 made up for the failure to invest in our natural resources during the 1990's, the first decade in modern history that did not have a park bond. I believe that continuing California's strong commitment to protecting our environment and investing in parks and natural resources has the added benefit of attracting tourism and stimulating our economy.

However, California's economy is rapidly declining. State revenues have fallen \$1.1 billion below projections in the first three months of the fiscal year alone. Voters will have to decide on their willingness to fund these important projects with their tax dollars in a climate of economic uncertainty.

It is my intention, should this measure pass, to manage the rate at which these bond funds are expended in order to balance the cost of debt service with other high priority demands on the General Fund.

Sincerely,

GRAY DAVIS

AB 343 signing message

To Members of the California State Assembly:

I have signed Assembly Bill 343 with a deletion. I am deleting the appropriation in Section 4(b) of up to \$250,000 for the educational grant program created in Section 2 of this bill. Section 2 would create the grant program by adding Section 31119 to the Public Resources Code. Section 4(b) would allocate funds originally appropriated in Schedule (3) of Item 3760-301-00001 of the 2000 Budget Act to fund the new program.

This bill would allow the State Coastal Conservancy to use up to \$250,000 of a General Fund capital outlay appropriation to undertake educational projects for all ages relating to the protection, preservation, enhancement or maintenance of coastal resources and to award grants to nonprofit organizations, educational institutions and public agencies for this purpose. The bill would also allow the reallocation of

\$3,750,000 General Fund originally appropriated for the purchase and restoration of the Bel Marin Keys property to purchase alternate properties in Marin County.

I cannot support the \$250,000 General Fund allocation at this time. To the extent that grant funding is awarded by the Conservancy to local educational agencies or to community colleges, such funds would raise the Proposition 98 funding guarantee by the same amount, thus reducing future budgetary flexibility.

Although grants awarded from non-General Fund sources should not affect the Proposition 98 guarantee, I am concerned that there may be confusion on this point in the future. Consequently, I urge the legislature to pass corrective legislation clarifying that this program cannot be used to award grants to local educational agencies or community colleges when the source of funds for those grants is the General Fund.

Sincerely,

GRAY DAVIS

AB 414 signing message

To the Members of the California Legislature:

I am signing Assembly Bill 414 which bill would exempt the disposal of lead contaminated soils by a state or local agency from the hazardous waste requirements, provided that the soil is in the right-of-way of an existing highway. The bill also extends the sunset date, from July 1, 2003 to July 1, 2006, requiring certain toxic wastes to continue being disposed of at a Class I hazardous waste facility.

In signing this bill, I understand that extending the disposal restrictions will impact programs that abate childhood lead hazards. Therefore, I am directing the Department of Toxic Substances Control to work with affected state agencies to identify safe and more cost efficient disposal options for lead contaminated wastes. I am further requesting the DTSC to complete its study on lead contaminated waste as expeditiously as possible and to pursue legislation to implement the selected disposal option.

Sincerely,

GRAY DAVIS

SB 100 signing message

To the Members of the California Legislature:

I am signing Senate Bill 100 which creates a Smog Check and emission control equipment exemption limited to 500 specially constructed vehicles ("kit cars") each year.

In signing this measure, I am also directing the Department of Motor Vehicles to implement the provisions of the bill within existing resources.

Sincerely,

GRAY DAVIS

SB 359 signing message

To Members of the California State Legislature:

I am signing Senate Bill 359 that creates the California Youth Soccer and Recreation Development and State Urban Parks and Healthy Communities grant programs within the Department of Parks and Recreation. Funding for these grant programs is not provided in the bill; however, I have signed AB 1602 which places the Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Bond Act on the March ballot.

If the voters approve this bond, \$50 million will be available for the components of this bill that provide capital outlay grants, such as park acquisition, playgrounds, recreational facilities and outdoor fields. Bond funding cannot be used for non-capital outlay programs such as outdoor education curriculum development and transportation programs. These programmatic grants require General Fund appropriations.

Although I am signing this bill, there will be no General Fund allocations to support these grant programs in the 2002-03 budget year. State revenues have fallen \$1.1 billion below projections in the first three months of the fiscal year. All existing state programs will likely be substantially reduced next year to meet the shortfall. General Fund support for this bill will not be provided until the economy sufficiently improves.

Sincerely,

GRAY DAVIS

L01:140 FOR IMMEDIATE RELEASE 10/13/2001

GOVERNOR DAVIS SIGNS KEY ENVIRONMENTAL BILLS 10/13/2001

Vetoes "Rigs to Reef" Legislation

Governor Gray Davis signed legislation today paving the way for a \$2.6 billion parks bond on the March 2002 ballot. He also signed another bill closing a legal loophole that has allowed land speculators to subdivide large tracts of pristine land and vetoed a bill that would have allowed oil companies to leave their off-shore platforms in place off the California coast after they are decommissioned.

AB 1602 by Assembly Member Fred Keeley (D-Boulder Creek) will let voters decide on the March 5, 2002 ballot whether to approve \$2.6 billion in general obligation bonds to be paid over the next 25 years. The funds would go to: state parks (\$225 million, with up to half for the acquisition of land for new parks and the remainder to complete development and restoration projects); urban parks and local recreation programs (including \$200 million for urban parks and recreational facilities); historical and cultural resources preservation (\$267.5 million for acquisition, development, and preservation of historical buildings, places and artifacts); wildlife conservation habitat (\$300 million); beach and river protection (\$375 million); urban forestry (\$10 million); agricultural land preservation (\$75 million); and programs to support projects that reduce air pollution in parks (\$50 million).

SB 497 by Senator Byron Sher (D-Palo Alto) will regulate development of key tracts of environmentally-sensitive lands. It closes a loophole in the 1929 Subdivision Map Act that has existed since 1976. The loophole has allowed developers to use old property records to re-establish lot lines within large properties, resulting in the subdivision and redevelopment of the land. This legislation refines the wording of existing law to limit the number of lot-line adjustments between "four or fewer existing adjoining parcels." Lot line adjustments exempt from the Subdivision Map Act also will have to comply with local and coastal planning restrictions.

Governor Davis vetoed SB 1 by Senator Deirdre "Dede" Alpert (D-Coronado). This legislation would have allowed the 33 oil platforms off California's coast that are scheduled to be decommissioned over the next 15 years to have their supporting structures stay in place and be turned into artificial reefs. The money that oil companies would have saved from completely removing the platforms would have been dedicated to marine environment protection efforts. Opponents to the bill said that there is no evidence that the platforms could enhance the marine environment and that they could pose navigational hazards. Please link below to view the veto message.

SB 1 veto message

To Members of the California State Senate:

I am returning Senate Bill 1 without my signature.

This bill would allow for the conversion of decommissioned offshore oil platforms and production facilities into artificial reefs.

Offshore oil facilities are currently required to be completely removed when petroleum production ceases. There is no conclusive evidence that converted platforms enhance marine species or produce net benefits to the environment.

I commend the author for her effort to craft a reasonable conversion program for California. However, it is premature to establish this program until the environmental benefits of such conversions are widely accepted by the scientific and environmental communities.

Sincerely,

GRAY DAVIS

L01:132 <u>FOR IMMEDIATE RELEASE</u> 10/12/2001

GOVERNOR DAVIS SIGNS ENVIRONMENTAL JUSTICE LEGISLATION 10/12/2001

SACRAMENTO

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Governor Gray Davis has signed four bills that promote the advancement of environmental justice goals in California. The concept of environmental justice seeks to ensure that all populations, regardless of race, culture, or income level live in a clean and healthy environment.

The bills develop a statewide standard in addressing environmental justice through the establishment of a Working Group on Environmental Justice; encourage local jurisdictions to incorporate environmental justice in general plans; promote the redevelopment of brownfields sites in economically depressed neighborhoods; and reduce air pollution on communities of color and low-income areas.

AB 1390 by Assembly Member Marco Firebaugh (D-East Los Angeles) extends until January 1, 2007 the policy enacted in the 2001-02 State Budget that directs air districts to target at least 50 percent of the \$48 million General Fund appropriated to three diesel emission reduction programs to environmental justice communities. It exempts small air districts from this requirement. It also makes federal agencies eligible to receive grants to purchase Zero Emission Vehicles that would be located in low income and minority communities.

AB 1553 by Assembly Member Fred Keeley (D-Boulder Creek) requires the Office of Planning and Research (OPR) to adopt guidelines for local agencies when addressing environmental justice issues in its general plans. OPR would be required to adopt the guidelines by July 1, 2003.

SB 32 by Senator Martha Escutia (D-Whittier) authorizes local governments to investigate and cleanup small parcels of property contaminated with hazardous waste. The bill also requires the California Environmental Protection Agency to conduct scientific peer review of screening values. Screening values are advisory numbers that estimate what cleanup efforts are needed for developing a property.

SB 32 also requires the development of a guidance document to assist communities, developers, and local governments in understanding the complicated factors and procedures used for cleaning up hazardous waste. Link below to view the signing message.

SB 828 by Senator Richard Alarcon (D-Sun Valley) adds due dates for developing an interagency environmental justice strategy affecting the boards, departments and offices (BDOs) within the California Environmental Protection Agency. Subsequently, the bill will require each of the CalEPA BDOs, by December 31, 2003, to review, identify, and address program obstacles impeding environmental justice.

SB 32 signing message

To the Members of the California Legislature:

I am signing SB 32 which would authorize local governments to investigate and cleanup small parcels of property contaminated by hazardous waste and require the California Environmental Protection Agency (CalEPA) to develop a set of screening values. The bill also would require development of a guidance document to assist communities, developers, and local governments with procedures used for cleaning up hazardous waste.

This measure provides the necessary tools to address the thousands of idle or underutilized sites in California where redevelopment is stymied because of real or perceived environmental pollution, especially those in low income or minority communities.

In signing this measure, I am also directing the CalEPA and its constituent boards and departments to conduct the scientific peer review of screening values using funds already budgeted for this purpose. I am authorizing a one-time transfer of \$350,000 from the Cleanup Loans and Environmental Assistance for Neighborhoods Account to assist in implementation of the bill. In developing the guidelines for selecting oversight agencies, I would ask the CalEPA boards and departments to consult with all affected environmental regulatory agencies.

Sincerely,

GRAY DAVIS



GOVERNOR DAVIS SIGNS BILLS TO PROTECT AGAINST MERCURY CONTAMINATION 10/10/2001

SACRAMENTO

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Governor Gray Davis has signed legislation to place new controls on products containing mercury.

SB 633 by Senator Byron Sher (D-Palo Alto) places new controls on the disposal of appliances and vehicle components found to contain mercury. It restricts the use and distribution of mercury-containing fever thermometers to only upon prescription of a physician.

"Mercury is a persistent and toxic pollutant that bioaccumulates in the environment and in the food chain," Governor Davis said. "I am signing this bill because it will help to reduce mercury contamination in the waters of the state. It will reduce the amount of mercury added to the environment by broken and discarded fever thermometers, novelty products and by mercury-containing electrical switches that are not removed before junked vehicles are crushed or shredded."

SB 633 also bans the specific addition of mercury to novelties and clothing articles by January 1, 2003. It bans the sale of a car manufactured after January 1, 2005 that contains a mercury vehicle switch. In addition, the bill bans the use of mercury-containing items from use in schools, except for measuring devices.

Governor Davis expressed concern, however, that this bill could be interpreted to ban the use of a certain type of battery in novelty items such as toys. These "button cell" batteries contain a small amount of mercury but meet existing state and federal safety requirements. The author has agreed to introduce cleanup legislation in the next legislative session specifically allowing the use of this type of battery in novelty items. See attached signing message.

Last week, Governor Davis signed SB 134 (Figueroa), the Dental Board sunset reform bill. One of the reforms in the bill requires a dentist to provide a fact sheet on possible health risks related to mercury to a patient prior to performing a dental restoration that could involve the use of dental amalgam. The bill also requires new patients to receive and acknowledge receipt of the mercury risk fact sheet.

L01:109 FOR IMMEDIATE RELEASE 10/09/2001

LEGISLATIVE UPDATE: RESOURCES AND ENVIRONMENT 10/9/2001

SACRAMENTO

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Governor Gray Davis has signed the following legislation:

AB 61 by Assembly Member Dean Florez (D-Shafter) clarifies existing law to allow private, not-for-profit water companies to access grants and loans from the Safe Drinking Water State Revolving Fund administered by the Department of Health Services.

AB 671 by Assembly Member Virginia Strom-Martin (D-Duncan Mills) closes a loophole in converting timberland to other uses. It prohibits a person or entity from obtaining more than one exemption, in a five-year period, from the timber harvesting plan requirements for conversion of a less-than three-acre parcel to non-timber use. It allows the Board of Forestry to waive the five-year limitation. It establishes a maximum penalty of \$10,000 for violating conditions of a conversion exemption. The bill also requires an exemption to expire once timberland or timber has changed ownership.

SB 2xx by Senator Richard Alarcon (D-Sun Valley) establishes the Low-Income Oversight Board. The Board will advise the Public Utilities Commission on implementation of programs to reduce electricity rates and provide weatherization services for low-income electricity and gas customers. In addition, the bill requires municipal utilities to ensure that their low-income assistance programs meet the level of need. Please link below to view the signing message.

SB 17xx by Senator Jim Brulte (R-Rancho Cucamonga) creates a solar tax credit. Increasing the use of renewable generation will increase the diversity of the electric supply and improve the quality of the natural environment. The tax credit, for tax years 2001-2003, is equal to the lesser of 15 percent of the purchase cost or \$4.50 per rated watt of a photovoltaic or wind-driven system with a generating capacity of not more than 200 kilowatts. The credit would be reduced to half that amount for tax years 2004-2005, and would sunset on January 1, 2006. Qualifying systems would need to be certified by the Energy Commission, installed with a five-year warranty, and would be required to be in service in California for at least one year. This bill complements other programs that provide incentives for installing renewable systems.

SB 350 by Senator Deirdre Alpert (D-Coronado) requires the Metropolitan Water District of Southern California board of directors to establish guidelines for the intended use of reserve funds. This bill also mandates the equitable disbursement of funds for any distribution of excess revenues to the member agencies.

SB 389 by Senator Deirdre Alpert (D-Coronado) revises the Sea Urchin Fishery Advisory Committee and provides for expenditure of sea urchin landing fee surcharge reserves.

SB 699 by Senator Jim Battin (R-La Quinta) authorizes the Whitewater River Flood Control Project to be eligible for state funding, contingent upon funding in the annual Budget Act.

SB 909 by Senator Wes Chesbro (D-Arcata) extends from 15 to 30 days the period for public comment on timber harvest plans. This time period includes 10 days of public comment after the date of final interagency review. This bill also extends the time allotted for the Director of the Department of Forestry and Fire Protection to review and reach a decision on a timber harvest plan from 10 to 15 days.



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GOVERNOR DAVIS SETS TOUGH ENVIRONMENTAL HEALTH STANDARDS 10/7/2001

Legislation Cracks Down on Toxic Mold; Chrom 6; Arsenic

SACRAMENTO

Governor Gray Davis today signed a package of bills setting tough new standards in the area of environmental health. SB 732 by Senator Deborah Ortiz (D-Sacramento) and AB 284 by Assemblywoman Hannah-Beth Jackson (D-Santa Barbara) crack down on toxic mold in homes. SB 351 by Senator Ortiz and SB 463 by Senator Don Perata (D-Alameda) set tougher standards for Chromium 6 and arsenic, respectively, in drinking water.

"I am very proud that once again - when it comes to the environment - California is leading the way and setting an example for others to follow," Governor Davis said. "Taken together, these bills represent some of the toughest environmental health laws anywhere in America."

SB 732 enacts the Toxic Mold Protection Act, intended to protect the public from adverse health effects related to the presence of molds in residential and commercial properties. It sets the toughest toxic mold standards in the nation.

Toxic molds contaminate homes and workplaces and threaten the public health. These molds can cause anything from coughs and nosebleeds to more serious respiratory problems and high blood pressure. In some extreme cases, California families have been forced to abandon their homes - taking only the clothes on their backs.

AB 284 requires a comprehensive study of the health problems related to toxic mold by the California Research Bureau.

In signing SB 732 and AB 284, Governor Davis thanked activist Erin Brockovich for bringing this issue to light.

SB 351 requires the State Department of Health Services to adopt a primary drinking water standard for hexavalent chromium, or "Chromium 6", by January 1, 2004. The bill requires a report on the progress of developing the standard to the Legislature by January 1, 2003. SB 351 makes California the first state in the nation with a separate, tougher standard for "Chrom 6." Existing standards are based on all types of chromium, not the more dangerous "Chrom 6" - made infamous by the movie, Erin Brockovich. This bill will help make sure that California's drinking water is free from the harmful threat of "Chrom 6" contamination.

SB 463 modernizes and strengthens drinking water standards for arsenic levels for the first time since WWII - nearly 60 years ago. The bill requires the State Department of Health Services to adopt a new primary drinking water standard for arsenic by June 30, 2004.

L01:098 FOR IMMEDIATE RELEASE 10/05/2001

GOVERNOR SIGNS BILLS TO PROTECT BEACHES AND HELP PREVENT STORM WATER POLLUTION 10/5/2001

SACRAMENTO

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Governor Gray Davis has signed five bills to protect California beaches.

SB 72 by Senator Sheila Kuehl (D-Beverly Hills) requires the State Water Resources Control Board to develop minimum monitoring requirements for storm water discharges for regulated communities and certain industries by January 1, 2003. This bill recognizes the significant impact these types of discharges have on water pollution - especially along California's beaches. Please link below to view the signing message.

AB 285 by Assemblymember Howard Wayne (D-San Diego) requires the Water Resources Control Board to track sewage spills throughout the state by creating and maintaining a database on sewer system overflows. The Board will be required to make this information available to the Legislature and the public via the Internet, or some other cost-effective means.

AB 639 by Assemblymember George Nakano (D-Torrance) requires the development of rapid diagnostic tests to measure potential bacterial contamination in waters adjacent to public beaches. The tests will provide timely warnings to the public about the risk to public health. The Water Resources Control Board will work with the Department of Health services to develop these tests.

AB 560 by Assemblymember Hannah-Beth Jackson (D-Santa Barbara) enhances pollution prevention efforts targeted at oil and related products. It conditions the award of block grants to those agencies having storm water management programs that include the collection of used oil and oil products.

Last week, Governor Davis signed AB 1201 by Assemblymember Fran Pavley (D-Agoura Hills). This bill requires that local governments seeking storm water pollution prevention grants and loans first obtain approval of their local storm water management program from a Regional Water Quality Control Board.

SB 72 signing message

To the Members of the California Legislature:

I am signing SB 72 which requires the State Water Resources Control Board to develop, by January 1, 2003, minimum storm water monitoring requirements for specified municipalities and industries.

In signing this measure, I am also directing the State Water Resources Control Board to implement the provisions of the bill within existing resources.

Sincerely,

GRAY DAVIS



GOVERNOR DAVIS ANNOUNCES WINNERS OF PRESTIGIOUS ENVIRONMENTAL AWARDS 11/27/2001

SACRAMENTO

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Governor Gray Davis today announced the winners of the 2001 Governor's Environmental and Economic Leadership Awards. California Environmental Protection Agency (Cal/EPA) Secretary Winston H. Hickox and Secretary for Resources Mary Nichols presented the awards at the Cal/EPA Headquarters Building in Sacramento.

"It is important to honor those who bring innovative solutions to one of the most important challenges we face," Governor Davis said. "As our award-winners are proving, it is possible to have the best of both worlds; a healthy environment and a healthy business climate."

Established in 1993, the Governor's Environmental and Economic Leadership Awards are the state's most prestigious environmental honor. This year's awards recognize outstanding contributions by 16 individuals, organizations or companies in six fields. Recipients are chosen from California organizations and companies for excellence in protecting the environment and conserving natural resources, while promoting compatible, sustainable economic development.

The 2001 recipients, by category, are:

ENERGY CONSERVATION

Regional Energy Efficiency Initiative (REEI), Los Angeles County, REEI was formed to promote efficient and environmentally improved delivery and use of energy to "underserved" energy users. The program has distributed energy efficient lamps and appliances and lowered total electricity use and customers' bill.

Commercial Industrial & Institutional Voucher Incentive Program (CIIVIP), San Diego County, San Diego County Water Agency has partnered with utilities to provide incentives to the commercial, industrial, and institutional customers to purchase devices that save water, electricity, and gas.

CHILDREN'S ENVIRONMENTAL EDUCATION

Air Care Environmental Education Program, Los Angeles County, The Think Earth Environmental Education Foundation assembled a group of civic-minded organizations to sponsor the development of a science-based curriculum on air quality. Air Care teaches students to identify the types, causes, and effects of air pollution.

The STRAW Project, Marin & Sonoma Counties, The STRAW Project coordinates and sustains a network of teachers, students, community members and restoration specialists (in both urban and rural sites) as they plan and implement riparian studies and restoration projects in Marin & Sonoma Counties).

Jiminy Cricket's Environmentality Challenge, Statewide, The partnership is an environmental education program for all California 5th graders. The challenge encourages students to think and act environmentally by identifying problems in their community and then creating and implementing solutions.

Therese Brady - "Kids Can Teach Other Kids about the Environment, Too!" Santa Barbara County, Environmental and recycling program at Juan Pacifico Ontiveros School, Santa Maria, has grown to include other schools in the area. This is the first such program in the school and is the result of a single teacher's initiative. The school has worked with the cooperation of a local garbage and recycling hauler.

WATERSHED & ECOSYSTEM MANAGEMENT

John Mount - Watershed Management of Southern CA Edison Private Lands, Fresno County, Edison's Forestry's primary objective is to maintain natural vegetative structure and enhance wildlife habitat, forest and watershed health while providing recreation opportunities and timber revenue.

Sacramento River Conservation Area, Sacramento Valley, The overall goal of the management program for the SRCA is to preserve remaining riparian habitat and reestablish a continuous riparian ecosystem along the Sacramento River between Keswick and Verona.

The FishNet 4C Program, Marin, Mendocino, Monterey, San Mateo, Santa Cruz & Sonoma Counties, was created to help integrate ESA and Clean Water Act protections into county policies and management. It serves as a catalyst for developing goals and implementation actions, as well as opportunities for cross-pollination within and between counties.

SUSTAINABLE PRACTICES

Briar Patch Community Market, Nevada County, The community market is a medium-sized natural foods co-op with 1,700 members. The waste reduction program focuses on creative ways to conserve resources and divert waste from the landfills, and involve networking with their customers, distributors, businesses, gardeners, and farmers.

Warner Bros. Studio Facilities, Los Angeles County, Warner Bros. has successfully integrated environmental values into its operational decisions including implementation of innovative energy efficiency measures and sustainable design guidelines for renovation and new construction. It is diverting an impressive 61 percent of waste otherwise headed to landfills. They are the leader in the "Greening of Hollywood."

The Straus Family Creamery, Marin County, The first organic dairy in the West and in California (most organic milk and cheese is imported). Developed totally new market. Among the benefits of the dairy's practices are soil, water, and land conservation.

BORDER ENVIRONMENTAL PROTECTION

The Border Agency Fire Council, San Diego County, BAFC was formed during the wildfire season of 1996 to determine if undocumented immigrants were responsible for those fires. Twenty-three organizations formed BAFC and went to work with the common purpose to protect people and the habitat. Cooperating with Mexican authorities, they have been able to reduce human-caused wildfires. Environmentally, the decrease in fires secured habitat of 22 endangered plants and animals in the Cleveland National Forest. Fire suppression costs have declined (Total costs in 1996 were \$5.75M; By 2000 they had declined to \$304K).

ENVIRONMENTAL ECONOMIC PARTNERSHIPS

C-17, Boeing Co., Los Angeles County, The C-17 Pollution Prevention Program has reduced duplication and maximized resources through innovative strategies that encourage partnerships. It has incorporated environmental analysis into acquisition decision-making. This is a unique partnership between private sector (Boeing) and military for C-17 plane maintenance (Boeing Long Beach facility).

StopWa\$te Partnership, Alameda County, The StopWa\$te Partnership offers medium and large-sized businesses and public agencies in Alameda County free environmental performance improvement services to reduce waste, conserve energy and water, use materials more efficiently and simultaneously reduce operating expenses.

The Moscone Center, San Francisco, SMG, a private facility management company, manages the Moscone Center. With implementation of the waste reduction program, it has cut waste by 75 percent.

A full description of the recipients of this year's awards can be found at:

http://www.calepa.ca.gov/awards/GEELA/default.htm



GOVERNOR DAVIS ANNOUNCES \$35-MILLION CALFED ACQUISITION IN NORTH DELTA 11/20/2001

9,200-Acre Island to Provide Farm-Friendly Wildlife Habitat and Flood Protection

SACRAMENTO

Governor Gray Davis today announced the \$35-million dollar grant to acquire Staten Island, a 9,200-acre wildlife sanctuary in the Sacramento-San Joaquin Delta. Funded by two major water bonds, this important project is the largest to date under the CALFED Bay-Delta Program, a multi-agency, multi-year program designed to secure California's water future. \$30 million goes toward the actual purchase; an additional \$5 million is earmarked for planning and improvements.

"This project is a strong investment in California's water future," Governor Davis said. "It achieves a broad range of goals that CALFED was created to accomplish. It protects California's water supply, improves flood protection, restores and protects our environment and resources, while helping to preserve highly productive farmland."

The Nature Conservancy is using state funds to purchase Staten Island, one of California's largest havens for sandhill cranes. The Nature Conservancy will continue to manage it as a wildlife-friendly farming operation that will serve as a preserve for a wide variety of waterfowl. In addition, possible temporary inundation of all or part of the island in the future will help reduce the threat of catastrophic flooding in the north Delta.

The California Resources Agency and one of its constituent departments, the Department of Water Resources (DWR), are providing the funding from two state water bonds, Propositions 204 and the Water Bond 2000 (Proposition 13), which were approved by voters in 1997 and 2000, respectively.

"By protecting this island and providing a winter home for many species of waterfowl, we are fulfilling a commitment made by the Davis administration to protect the natural resources of the San Joaquin-Sacramento Delta for generations to come," Secretary for Resources Mary D. Nichols said. "It is fitting that sandhill cranes will greatly benefit from this important project. Cranes the world over are a symbol of fidelity and happiness."

The Nature Conservancy, one of the nation's leading conservation organizations, acquired the land from Pacific Realty Associates of Portland, Oregon. The Conservancy has pledged to continue Staten Island's long-standing agricultural practices, raising corn, wheat and other crops while providing shallow seasonal wetlands for cranes and other waterfowl and migratory birds. The group will also be working with DWR and other CALFED agencies on a flood-protection plan for the north Delta which may involve setback levees on Staten Island or other measures.

"The Nature Conservancy is pleased to have brought together a convergence of interests ranging from habitat, farming and water supply protection to flood control," said Graham Chisholm, Executive Director, The Nature Conservancy of California. "We look forward to working with our partners - CALFED, the Department of Water Resources and the local community - to ensure that Staten Island becomes a successful model for future conservation programs in the Delta."

As part of the CALFED program, DWR is developing a plan to reduce flooding in the North Delta. That plan may involve using Staten Island as a temporary bypass or flood overflow area, to reduce high flows on the Mokelumne River.

"DWR is committed to studying ways to improve flood protection in the north Delta in cooperation with The Nature Conservancy, the Delta Protection Commission and other interested groups or organizations," DWR Director Thomas Hannigan said.

Patrick Wright, Director of the CALFED Bay-Delta Program, said the acquisition shows that CALFED agencies are moving ahead, working with farmers, conservation organizations and other stakeholders to carry out their ambitious blueprint for restoring the critical Bay-Delta watershed.

The Nature Conservancy will also be working with DWR and other CALFED agencies on a flood-protection plan for the north Delta which may involve setback levees on Staten Island or other measures.

PR01:511 FOR IMMEDIATE RELEASE 11/02/2001

GOVERNOR DAVIS APPLAUDS CONGRESSIONAL PASSAGE OF CALFED FUNDING MEASURE 11/2/2001

SACRAMENTO

Governor Gray Davis today hailed action by the U.S.Congress in approving \$30 million in federal funding for the CALFED Bay-Delta Program. The money was included in the fiscal year 2002 Energy and Water Appropriations conference agreement that will be sent to the President for his signature.

"I am pleased that the Congress has taken this important step to provide much-needed funding for CALFED," Governor Davis said. "These funds will play an important role in enabling us to continue making timely progress in meeting California's water quality, water supply and ecosystem restoration needs. It will also ensure the federal government's continued involvement in this critical federal-state partnership.

"I want to thank Senator Dianne Feinstein for her outstanding leadership," the Governor continued. "She undertook a vigorous effort to convince her colleagues on the conference committee to preserve most of the Senate's recommended \$40 million. She was joined in that effort by her conference colleague, Representative Lucille Roybal-Allard, who is a strong advocate for California's interests on the House Energy and Water Subcommittee."

Governor Davis added that "Congressional action to fund CALFED programs underscores the need for House and Senate Committees to act expeditiously on comprehensive CALFED authorization legislation. I have personally lobbied Senate Energy and Natural Resources Committee Chairman Bingamen to act on the bill that Senators Feinstein and Boxer worked so diligently to produce. Congressman Ken Calvert continues his efforts to move a bill through the House. Congress needs to get this job done."



GOVERNOR GRAY DAVIS ANNOUNCES \$9.9 MILLION TO PROTECT CALIFORNIA WATERWAYS 12/31/2001

Elected River Grants Awarded to Cities along Los Angeles and San Gabriel Rivers

SACRAMENTO

Governor Gray Davis today announced eight grant awards totaling almost \$10 million to federal, state and local agencies for restoration projects and acquisitions along the Los Angeles and San Gabriel Rivers.

"Clean water is critical to maintaining a healthy quality of life for Californians," Governor Davis said. "My Urban Parks Strategy is an investment in the health and future of our families."

In an historic break with previous water bonds, funds from the "Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Act of 2000," also known as Proposition 13 were also earmarked for urban and recreational projects and acquisitions. As a result, these eight grants complement the Governor's Urban Parks Strategy - a groundbreaking strategy to use State funds to acquire and restore parks in heavily urban areas.

Governor Davis recently announced the \$56-million purchase of the 32-acre Cornfield and a 30-acre parcel of Taylor Yard in downtown Los Angeles. Those two former industrial sites will become urban riverside parklands, serving as the cornerstone of a new Los Angeles River Greenway that will eventually link up many of the projects funded with the grants announced today.

Below is the list of grants.

Los Angeles River

- \$3 million Mountains Recreation and Conservation Authority Verdugo-Oakmont Acquisition, Funding to augment the
 \$5 million previously appropriated for acquisition of 238-acre property lying on the north slope of the Verdugo
 Mountains in the City of Glendale. The acquisition would preserve and protect existing watershed and riparian habitats, open space and recreational trails.
- \$2 million City of Maywood Maywood Riverfront Park,
 Funding to develop a new 7.3-acre riverfront park including bike and walking paths, picnic areas, restrooms, play areas, and public parking.
- \$1.7 million Rivers and Mountains Conservancy for the City of Paramount Ralph C. Dills Park Expansion, Funding to acquire several additional properties adjacent to the existing park to allow expansion into a broad open space river parkway along the LA River.
- \$1 million City of Pasadena Restoration of the Northern and Southern Arroyo Seco Channel Areas, Restore stream corridor, river stream trails and adjacent lands along the only two unchannelized sections of the Arroyo Seco stream in Pasadena's Central and Lower Arroyo reaches.
- \$152,000 City of Lynwood Lynwood Natural Park, Development into a natural park of approximately four acres of undeveloped land along the LA River and Bike Trail.
- \$80,000 City of South Gate Hollydale Regional Park Bike Trail, Staging and Rest Area,
 Funding to design and construct an inviting entry/exit from the Los Angeles River Bike and
 Equestrian Trails into the Hollydale Regional Park.

San Gabriel River

- \$1 million City of Lakewood West San Gabriel River Recreation Area, Develop 16 acres of unimproved open space adjacent to the San Gabriel River into a passive, low impact recreational area, with walking and biking paths, using California native vegetation.
- \$1 million Rivers and Mountains Conservancy for City of Azusa acquisitions for the Azusa River Wilderness Park,
 Funding for two acquisitions totaling over 35 acres of undeveloped land along the banks of the San Gabriel River.
 Acquisitions will preserve riparian habitat, and provide passive natural and recreational uses for the public.

PR01:588 FOR IMMEDIATE RELEASE 12/28/2001

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GOVERNOR DAVIS ANNOUNCES \$82 MILLION FOR WATER PROTECTION 12/28/2001

Proposals for Bond Money Due February 1, 2002

SACRAMENTO

Governor Gray Davis today announced that local public agencies and non-profit groups can tap into a new stream of more than \$82 million in grant money from the State Water Resources Control Board and the CALFED program. The grants can be used to restore watersheds, curb polluted runoff and protect coastal waters.

"Clean water is a high priority for Californians," Governor Gray Davis said. "By implementing the provisions of the water bond, California is safeguarding one of our most vital and precious resources."

The State Water Board will be offering the money through the Safe Drinking Water, Clean Water, Watershed Protection and Flood Protection Act of 2000 (Proposition 13), a \$1.97 billion bond program passed by voters to fund projects to protect the State's waterways. Overall, the State Water Board is responsible for allocating \$763.9 million to various entities over the next three years.

"Without this infusion of money, many smaller groups and communities cannot effectively tackle these important local environmental problems," said State Water Board Chairman Arthur G. Baggett Jr.

Earlier this year, the State Water Board allocated more than \$40 million to 63 water quality projects. Proposals for new projects are due to the Board by February 1, 2002.

The State Water Board will allocate a large portion of money to small and low income communities and will coordinate its efforts with the CalFED program, which is also responsible for distributing bond money for water improvement projects.

Interested parties are encouraged to attend one of four public workshops that will be held in January to answer questions about the bond program. They will be held January 7 in Los Angeles; January 8 in Sacramento; January 15 in Modesto; and January 17 in Red Bluff. Additional workshops will be held at locations selected throughout the State. For more information, call (916) 341-5499, or visit the Web site.

PR01:574 FOR IMMEDIATE RELEASE 12/13/2001

GOVERNOR DAVIS SUSPENDS PESTICIDE MIL TAX FOR AGRICULTURE IN 2002 12/13/2001

Industry to Benefit from Additional Tax Savings

SACRAMENTO

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A year of tax savings for agriculture will be enhanced by Governor Davis' suspension of the California Department of Food and Agriculture's (CDFA) portion of the pesticide mil tax for 2002.

The tax, which raises approximately \$1 million a year for CDFA's Office of Pesticide Consultation and Analysis, will be rolled back due to the program's prudent management of existing funds.

"This is another example of how we're investing in farmers and ranchers to keep California number one in agriculture," Governor Davis said. "We're committed to doing everything we can to assist the industry in these highly competitive times."

Earlier this year, as a condition for signing the state budget, the Governor insisted on tax breaks for agriculture totaling more than \$50 million, a package that slashes taxes on the purchase on fuel, tractors and other farm equipment.

"Even though California has the safest and highest quality food supply in the world, a profitable bottom line is still a huge challenge for agriculture," said CDFA Secretary William (Bill) J. Lyons, Jr. "Governor Davis recognizes this and continues to look closely for opportunities to assist the industry."

CDFA is entitled to three-quarters of a tenth of a cent for every dollar in the wholesale market spent on agricultural pesticides. The agency will be waiving that in the coming year. The tax rollback will have no impact on the mil assessment imposed by the California Department of Pesticide Regulation.

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2002

PR02:030 <u>FOR IMMEDIATE RELEASE</u> 01/23/2002

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GOVERNOR DAVIS ANNOUNCES \$88 MILLION FOR WATER RECYCLING PROJECTS 01/23/2002

Six California Communities to Benefit from Grants and Loans

SACRAMENTO

Governor Gray Davis today announced six California communities will receive loans or grants totaling \$88 million as part of the Governor's commitment to the environment. The loans and grants help to restore, protect and enhance the environment by ensuring public health, environmental quality and economic vitality.

"California's water resources are the lifelines of our State," Governor Davis said. "Keeping our water clean and drinkable has been a top priority for Californians. These funds will help protect California's precious water resources."

Governor Davis championed the Water Bond of 2000 (Proposition 13), which led the drive to authorize \$2 billion in funding for clean water and safe parks. Projects funded by Proposition 13 support safe drinking, water quality, flood protection and water reliability projects throughout the State. In addition, these measures have provided roughly \$100 million in low-cost loans and grants to various communities for water recycling projects.

The State Water Resources Control Board approved loans and grants to four communities from Proposition 13 (the Safe Drinking Water, Clean Water, Watershed Protection and Flood Protection act of 2000).

The Governor also announced the award is nearly \$20 million in low-interest loans from the State's Revolving Fund (SRF), that will benefit two California communities. The purpose of the SRF loan is to provide low-interest financial assistance to start measures necessary to address water quality problems and to prevent water pollution.

Proposition 13 projects include:

• One grant and one loan totaling \$24 million for the cities of Dublin and San Ramon to construct the San Ramon Valley Recycled Water Program.

The project will provide 21 million gallons of recycled water daily for customers in Dublin-San Ramon Services District-East Bay Municipal Utility District Recycled Water Authority (DERWA).

The program is intended to provide recycled water service to irrigation customers such as golf courses, landscapes and parks. DERWA is responsible for planning, design, construction and operation of the treatment facilities, along with the pipeline supply system, pumping and storage facilities. Once the system is operational, the recycled water will replace the existing potable water supply for irrigation uses.

 A \$5 million grant to help Orange County Water District construct a water recycling facility to replace a 30-year-old facility.

The project includes construction of a water recycling facility to produce 78,000 acre-feet of recycled water. The increase will reinforce and expand the original seawater barrier and provide more groundwater recharge to the local basins.

• A loan and grant package totaling \$36 million for the Carlsbad Water District in San Diego County to begin Phase II of the Encina Basin Water Reclamation Program.

The district, located in the City of Carlsbad, will receive a \$31 million loan and a \$5 million grant to assist in the construction of a project which will substitute recycled wastewater instead of fresh water to irrigate landscaping.

 A \$4.4 million grant for the East Bay Municipal Utility District to begin the first phase of the East Bayshore Recycled Water Project.

When completed, the project will provide 700,000 gallons of recycled water daily for irrigation and industrial uses in the cities of Albany, Berkeley, Emeryville and Oakland.

State Revolving Fund Loan Projects Include:

 A \$18.4 million loan increase (from \$47 million to \$65.4 million) for the Los Osos Community Services District Wastewater Collection, Treatment and Disposal Project.

The SRF loan will provide wastewater facilities for an "unsewered" community with failing septic systems.

A \$590,000 loan increase (from \$575,000 to \$1.165 million) for the City of Yreka's wastewater treatment plant.

The city's older wastewater treatment plant needs a modern upgrade. The upgrade will allow treated wastewater to comply with requirements established by the North Coast Regional Water Quality Control Board.

PR02:032 FOR IMMEDIATE RELEASE 01/23/2002

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GOVERNOR DAVIS ANNOUNCES \$36 MILLION FOR SAN DIEGO RECYCLED WATER PROJECT 01/23/2002

Low Interest Loans and Approved SWRCB Funds to Help Community Protect Water Resources

SACRAMENTO

Governor Gray Davis today announced that the State Water Resources Control Board (SWRCB) has approved a \$36 million loan and grant package that will allow the Carlsbad Water District to begin Phase II of the Encina Basin Water Recycling Program.

"California's water resources are the lifelines of our State," Governor Davis said. "Keeping our water clean and drinkable has been a top priority for Californians. These funds will help protect California's precious water resources."

Governor Davis championed the Water Bond of 2000 (Proposition 13), which led the drive to authorize \$2 billion in funding for clean water and safe parks. Projects funded by Proposition 13 support safe drinking, water quality, flood protection and water reliability projects throughout the state. In addition, these measures have provided roughly \$100 million in low-cost loans and grants to various communities for water recycling projects.

The City will receive a \$31 million loan and a \$5 million grant to assist in construction of the project. When completed, Carlsbad Water District will be able to substitute recycled wastewater for fresh water used to irrigate landscaping.

The recycled water will replace potable - or drinkable - water, being used primarily for landscape irrigation of golf courses, residential common areas, industrial and public parks. The project will nearly triple the recycled water supply from the current three million gallons per day (mgd) to eight mgd.

The project has four main elements: a four mgd water recycling facility to be constructed adjacent to the Encina Wastewater Treatment Plant; 24 miles of distribution pipelines; three pump stations; and improvements to an existing 54 million gallon storage reservoir.

The District has a mandatory use ordinance for recycled water and it will assist identified users with costs associated with retrofitting.

The SWRCB is responsible for the administration of these bond funds. This grant/loan is being authorized by the Water Recycling Construction Program. Water recycling projects that help supplement California's water supply are given funding priority



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GOVERNOR DAVIS ANNOUNCES \$5 MILLION GRANT FOR ORANGE COUNTY RECYCLED WATER PROJECT 01/23/2002

State Water Resources Control Board Approves Funds to Help Community Protect Water Resources

SACRAMENTO

Governor Gray Davis today announced that the State Water Resources Control Board (SWRCB) has approved a \$5 million grant that will allow the Orange County Water District to begin construction on a water recycling facility.

"California's water resources are the lifelines of our State," Governor Davis said. "Keeping our water clean and drinkable has been a top priority for Californians. These funds will help protect California's precious water resources."

Governor Davis championed the Water Bond of 2000 (Proposition 13), which led the drive to authorize \$2 billion in funding for clean water and safe parks. Projects funded by Proposition 13 support safe drinking, water quality, flood protection and water reliability projects throughout the state. In addition, these measures have provided roughly \$100 million in low-cost loans and grants to various communities for water recycling projects.

The Orange County Project includes construction of a water recycling facility to produce 78,000 acre-feet per year (up from the 16,000 AFY currently produced) of recycled water from secondary effluent produced by the Orange County Sanitation District (OCSD). The new water reclamation facility will be located in the city of Fountain Valley and will effect several other cities from Huntington Beach to Anaheim.

The existing production of approximately 16,000-acre-feet per year is no longer adequate for current seawater barrier demands. The increased recycled water production of the GWRS will reinforce and expand the original seawater barrier and provide for additional groundwater recharge of the local basins.

The SWRCB is responsible for the administration of these grant and loan funds. Water recycling projects that help supplement California's water supply are given funding priority.

PR02:036 <u>FOR IMMEDIATE RELEASE</u> 01/23/2002

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GOVERNOR DAVIS ANNOUNCES \$18.4 MILLION LOAN INCREASE FOR LOS OSOS WASTEWATER PROJECT 01/23/2002

Low Interest Loan to Help Community Protect Water Resources

SACRAMENTO

Governor Gray Davis today announced that the State Water Resources Control Board (SWRCB) has approved an \$18.4 million loan increase that will allow the Los Osos Community Services District to begin work on the Wastewater, Treatment and Disposal Project. The loan has been increased from \$47 million to \$65.4 million, as part of the State Revolving Fund. This loan will provide wastewater facilities for an "unsewered" community with failing septic systems.

"California's water resources are the lifelines of our State," Governor Davis said. "Keeping our water clean and drinkable has been a top priority for Californians. These funds will help protect California's precious water resources."

Governor Davis championed the Water Bond of 2000 (Proposition 13), which led the drive to authorize \$2 billion in funding for clean water and safe parks. Projects funded by Proposition 13 support safe drinking, water quality, flood protection and water reliability projects throughout the state. In addition, these measures have provided roughly \$100 million in low-cost loans and grants to various communities for water recycling projects.

The purpose of the project is to restore and protect water quality in the Los Osos/Baywood Park service areas. This is consistent with waster water requirements and enforcement orders of the Central Coast Regional Water Quality Control Board.

Water quality data showed elevated levels of nitrate present in the upper portions of the aquifer. To protect public health and the Morro Bay National Estuary, the Regional Board prioritized funding for the project.

The purpose of the SRF loan program is to provide financial assistance for the construction of facilities, or to implement measures necessary to address water quality problems and to prevent pollution of the waters of the state.

The SWRCB is responsible for the administration of these grant and loan funds. Water recycling projects that help supplement California's water supply are given funding priority.

PR02:035 FOR IMMEDIATE RELEASE 01/23/2002

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GOVERNOR DAVIS ANNOUNCES \$4.4 MILLION GRANT FOR EAST BAY RECYCLED WATER PROJECT 01/23/2002

State Water Resources Control Board Approves Funds to Help Community Protect Water Resources

SACRAMENTO

Governor Gray Davis today announced that the State Water Resources Control Board (SWRCB) has approved a \$4.4 million grant that will allow the East Bay Municipal Utility District (EBMUD) to begin the first phase of the East Bayshore Recycled Water Project.

"California's water resources are the lifelines of our State," Governor Davis said. "Keeping our water clean and drinkable has been a top priority for Californians. These funds will help protect California's precious water resources."

Governor Davis championed the Water Bond of 2000 (Proposition 13), which led the drive to authorize \$2 billion in funding for clean water and safe parks. Projects funded by Proposition 13 support safe drinking, water quality, flood protection and water reliability projects throughout the state. In addition, these measures have provided roughly \$100 million in low-cost loans and grants to various communities for water recycling projects.

When completed, the East Bayshore Recycled Water Project will provide 700,000 gallons of recycled water each day, for irrigation and industrial uses. Recycled water will replace approximately 787 acre-feet of drinkable water per year currently being used for irrigation and industrial purposes in the Cities of Albany, Berkeley, Emeryville and Oakland for irrigation and industrial purposes. This makes 787 acre-feet of freshwater available for other purposes.

The SWRCB is responsible for the administration of the grant and loan funds. Water recycling projects that help supplement California's water supply are given funding priority.

PR02:038 FOR IMMEDIATE RELEASE 01/23/2002

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GOVERNOR DAVIS ANNOUNCES \$590,000 LOAN INCREASE FOR YREKA WASTEWATER TREATMENT PROJECT 01/23/2002

Low Interest Loan to Help Community Protect Water Resources

SACRAMENTO

Governor Gray Davis today announced that the State Water Resources Control Board (SWRCB) has approved a \$590,000, totaling \$1.165 million, that will allow the city of Yreka to construct a new waste water treatment plant.

"California's water resources are the lifelines of our State," Governor Davis said. "Keeping our water clean and drinkable has been a top priority for Californians. These funds will help protect California's precious water resources."

Governor Davis championed the Water Bond of 2000 (Proposition 13), which led the drive to authorize \$2 billion in funding for clean water and safe parks. Projects funded by Proposition 13 support safe drinking, water quality, flood protection and water reliability projects throughout the state. In addition, these measures have provided roughly \$100 million in low-cost loans and grants to various communities for water recycling projects.

The city will install a new disposal system that will provide treated wastewater to comply with requirements established by the North Coast Regional Water Quality Control Board.

The loan increase is apart of the State Revolving Fund (SRF). The purpose of the SRF loan program is to provide financial assistance for the construction of facilities or implementation of measures necessary to address water quality problems and to prevent pollution to the waters of the state.

The SRF loan interest rates are currently set at 2.4 percent.

The SWRCB is responsible for the administration of these grant and loan funds. Water recycling projects that help supplement California's water supply are given funding priority.

PR02:086 <u>FOR IMMEDIATE RELEASE</u> 02/26/2002

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GOVERNOR DAVIS ANNOUNCES \$8.1 MILLION IN WATER RECYCLING GRANTS 2/26/2002

Cities of San Luis Obispo, Modesto, Redlands and Calabasas will receive 2.37 Billion Gallons of Wastewater Yearly for Farms

SACRAMENTO

Governor Gray Davis today announced \$8.1 million in grants to fund four water recycling projects throughout the State as part of the Governor's commitment to the environment. The money will allow farmers, cities and industries to access more than 2.37 billion gallons per year of reclaimed wastewater for crop and parkland irrigation, manufacturing processes and other innovative uses.

"These grants will have a tremendous influence on California's precious water supply," Governor Davis said. "By reclaiming wastewater for the purpose of irrigating farmlands and recreational areas and providing water for industrial activities, California can be certain of financial success. These projects will also help to conserve our State's finite drinking water supply."

Governor Davis championed the Water Bond of 2000 (Proposition 13), which led the drive to authorize \$1.97 billion in funding for clean water and safe parks. Projects funded by Proposition 13 support safe drinking, water quality, flood protection and water reliability projects throughout the State. In addition, these measures have provided \$113 million in low-cost loans and grants to various communities for water recycling projects.

The grants were approved by the State Water Resources Control Board. They will help reclaim more than 7,300 acre-feet of wastewater per year that is otherwise treated and disposed by local wastewater treatment plants. One acre-foot of water, or 325,861 gallons, is enough liquid to cover an acre of land to a depth of one foot, and furnish a family of five with water for one year. The grant funding will be used to provide a financial jump-start to the following projects:

City of Redlands -- will receive a \$5 million grant to upgrade its water reclamation and treatment plant.

The renovated plant will provide 6,000 acre-feet of water per year for irrigation projects. The City will work with the State Water Board on additional loan funds from the State Revolving Fund to help pay for the \$11.7 million project.

City of San Luis Obispo -- will receive a \$2.95 million grant to construct its Water Reuse Project.

The City's project will provide approximately 1,235 acre-feet of recycled water per year for local irrigation projects. The City will seek additional loan monies from the State Water Board for the remainder of the \$11.8 million needed to complete the project.

 Las Virgenes Municipal Water District in Calabasas -- will receive a \$111,265 grant to construct a recycled water line extension.

This project will furnish approximately 65 acre-feet of reclaimed water per year for local irrigation projects.

City of Modesto -- will receive \$75,000 to begin water recycling feasibility study.

Modesto will use this money to study the feasibility of using recycled water for industrial reuse, landscape irrigation and groundwater replenishment. The total proposed cost is \$150,000.

PR02:087 <u>FOR IMMEDIATE RELEASE</u> 02/26/2002

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GOVERNOR DAVIS ANNOUNCES \$2.155 MILLION IN GRANTS TO PROTECT CALIFORNIA'S THREATENED BEACHES 2/26/2002

Los Angeles, Ventura, Newport Beach and Coronado Awarded Grants for Various Projects

SACRAMENTO

Governor Gray Davis today announced that four California communities will receive grants totaling \$2.155 million, as part of the Governor's Clean Beaches Initiative.

The State Water Resources Control Board approved grants to the City of Coronado, the City of Newport Beach, the County of Los Angeles and the County of Ventura for various projects that will help combat contaminated ocean water, which threatens California's world-renowned beaches.

Clean Beaches Initiative grants are funded by Proposition 13 (the Safe Drinking Water, Clean Water, Watershed Protection and Flood Protection Act of 2000), a \$1.97 billion bond program passed by voters to fund projects to protect the state's waterways.

"The public health and economic threat to our beaches by polluted runoff is real," said Governor Davis. "These grants help state and local agencies address contamination, making our beaches safer, and ensures the economic vitality of coastal communities."

The Clean Beaches Initiative was one of Governor Davis' key environmental projects included in the Governor's 2001-2002 Budget signed last July. The Budget provides \$32 million for coastal cleanup projects throughout the state and reduction of the number of beach closure days caused by non-point source pollution. (These funds were allocated from Proposition 13 bond monies.)

Southern California beaches each year attract 175 million visitors, who spend more than \$1.5 billion during their visits. On a typical summer day, some of the more popular beaches attract 75,000 people.

When a beach is closed due to contamination, the economic effect can be devastating to local business owners and dangerous to public health.

The following grants were approved:

• City of Coronado (\$1 million) - City of Coronado for funding of the Dry/Wet Weather Diversion Structures.

The City of Coronado Island is located at the mouth of the San Diego Harbor. The Island is a coastal beach community with 28 miles of waterfront and beaches. More than 2.5 million people visit the beaches annually. The waters off Coronado Island have been classified since 1998 as impaired because of bacterial contamination.

City of Newport Beach (\$200,000) - Newport Bay Diversions and surface water treatment systems.

Newport Beach and Newport Bay are the most frequently visited beaches in Orange County with 8.9 million visitors each year. In 2001, there were beach postings covering more than 550 Beach-Mile Days. Two swimming areas in the Bay accounted for more than 80 percent of the postings.

 County of Los Angeles (\$250,000) - County of Los Angeles Funding of Phase I of the Marina Beach Project to reduce bacterial contamination.

Marina Beach lies at the northwestern end of Marina Del Rey and has about 200,000 visitors a year. The County of Los Angeles will use \$250,000 to improve beach water quality at Marina Beach (known as Mother's Beach). The Beach earned its nickname because of its calm waters suitable for swimming by families and small children. In 2001, there were signs continually warning beach goers of bacterial contamination. The County is proposing to implement a two-phase project. Phase 1 will investigate the potential effectiveness and costs of a water circulation system.

 County of Ventura/Kiddie and Hobie Beaches (\$705,000) -Funding to reduce bacterial contamination at Channel Islands (Phase 1).

Kiddie and Hobie Beaches are adjacent to one another and are in the southwest corner near the entrance of the Channel Islands Harbor. The Army Corps of Engineers created the Beaches during construction of the harbor in the early 1960s. In 2001, the Beaches were posted with signs warning beach goers of bacterial contamination. The County is proposing to implement a two-phase project. Phase 1 will investigate water circulation in the Harbor and options for increasing circulation.

L02:004 FOR IMMEDIATE RELEASE 02/02/2002

GOVERNOR DAVIS SIGNS BILL TO STRENGTHEN ENVIRONMENTAL LAWS 2/2/2002

SACRAMENTO

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Governor Gray Davis today signed SB107, a measure that amends the Natural Community Conservation Planning Act.

"Protecting our environment is an investment in our future," Governor Davis said. "I am pleased to sign a bill that strengthens our existing conservation laws."

The bill defines the conditions of species coverage and establishes findings necessary for plan approval. SB107 also establishes implementation agreement contents, it authorizes the Department of Fish and Game to develop regulations, and it establishes enforcement mechanisms.

PR02:224 FOR IMMEDIATE RELEASE 04/20/2002

FIRST LADY SHARON DAVIS CELEBRATES EARTH DAY AT BALDWIN HILLS CONSERVANCY 4/20/2002

Joins Volunteers in Clean-Up of New State Park

BALDWIN HILLS

First Lady Sharon Davis celebrated Earth Day 2002 at Kenneth Hahn State Recreation Area (KHSRA), the site of the first major parcel of land purchased under the Davis Administration's Urban Parks Strategy, the Vista Pacifica property.

"California is known throughout the world not only for our movie industry and technology innovations, but also for our commitment to the environment," Mrs. Davis said. "Yet, for years before my husband became Governor, we invested more in our parking lots than we did in our parks. That has changed under the Davis Administration. Our goal was simple: to replace black asphalt with green trees, to replace urban decay with city splendor."

Mrs. Davis joined youth and resident volunteers from surrounding communities in the maintenance and celebration of the last large open space in the Ballona Creek Watershed. Local natural resource stewards from the Los Angeles and California Conservation Corps, Ballona Creek Watershed Task Force, California EPA, Star Eco-Station, and Tree People were among those providing interpretive kiosks and activities to inform the public on the vital role communities can play in maintaining KHSRA and improving the local environment.

In just three years, the Davis Administration has purchased more than 6,200 acres of new urban park land, more than the last 20 years. In addition to Vista Pacifica, urban park purchases in the Los Angeles-area include:

- * The Cornfields and Taylor Yard parks;
- * Augustus Hawkins Park in South Central (LA);
- * Land all along the Los Angeles River Parkway; and
- * More than 2,000 acres next to Topanga Canyon State Park, the largest wilderness area in a city in the country.

With the passage of Propositions 12, 13 in 2000 and Proposition 40 in March 2000, the Davis Administration has invested a total of \$6.6 billion into new parks, open space, clean air and clean water.

The California State Parks Foundation sponsored 41 clean-up events throughout California on Earth Day. Grants totaling \$95,000 were awarded to California State Parks, community parks and environmental nonprofit organizations for conservation and rehabilitation efforts in 24 California counties.



GOVERNOR DAVIS ANNOUNCES EARTH DAY CELEBRATIONS IN STATE PARKS 4/19/2002

40 Earth Day Projects in 36 State Parks Across 20 Counties

SACRAMENTO

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Governor Gray Davis today announced that more than 40 Earth Day projects, in 36 California State Parks, in 20 California Counties from Northern California to Southern California are planned from Saturday, April 20 through Monday, April 22. Activities include beach and creek clean up and restoration, tree planting, and trail improvement.

"Earth Day offers an opportunity to bring together neighbors and neighborhoods in the spirit of goodwill and service," Governor Davis said. "These celebrations in our state parks and beaches allow all Californians to personally be involved in Earth Day 2002."

Thousands of volunteers will participate in special events and cleanup projects, including the installation of recycling containers. An example of such events that will take place include:

Fresno Region: Millerton Lake State Recreation Area will host volunteers who will remove non-native vegetation, install an irrigation system, and plant native species in the large group camp area of the park.

Los Angeles Region: Los Angeles River State Park at Taylor Yard will host volunteers for a tree planting along the Los Angeles River, creating a gateway to the future Los Angeles River State Park at Taylor Yard.

Orange County Region: Bolsa Chica State Beach will be the site of native planting/restoration projects; Huntington State Beach will sponsor a beach cleanup from 9 a.m. to Noon.

Sacramento Region: Folsom Powerhouse State Historic Park will be the site of a trail cleanup and construction and installation of safety fencing.

San Diego Region: Torrey Pines State Reserve is the site of a trail work project and beach cleanup.

San Francisco/Bay Area Region: China Camp State Park will host volunteers who will continue the ongoing revegetation of the ridgeline at the southeast end of the park where non-native eucalyptus trees have been recently removed.

Governor Davis has built a record of action and leadership in protecting California's environment and vital resources to secure the quality of life for generations to come. He signed Proposition 12 and 13 into law to protect and enhance our natural resources. He established the CALFED Bay-Delta Program to create funds used for the creation of an Environmental Water Account and for watershed restoration, water quality and water conservation projects and programs. The governor also enforced the Land Conservation Fund, in which he challenged private foundations to match the State's commitment to preserving important open space lands and implemented various Urban Clean Up and Reusing California Land programs.

For a complete list of Earth Day Celebrations, please visit http://resources.ca.gov/.

PR02:200 FOR IMMEDIATE RELEASE 04/12/2002

GOVERNOR DAVIS ANNOUNCES RELEASE OF LANDMARK WATERSHED REPORT 04/12/2002

Report Blueprints Support for Local River and Watershed Groups

SACRAMENTO

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Governor Gray Davis today announced the release of a landmark report that will help California protect and restore its watersheds, lakes, rivers, and waterways.

"My administration has made the protection of the state's watersheds a top priority," Governor Davis said. "This important study will help to protect and preserve our natural resources, improve water quality and leave a priceless legacy for the future."

The Resources Agency and Cal/EPA assembled a Joint Task Force to examine 10 exemplary local and grassroots watershed organizations. Its conclusions include suggestions on how to improve and develop partnerships between local groups and government, and approaches to providing support and improved guidance for grassroots groups.

The report, Addressing the Need to Protect California's Watersheds: Working in Partnerships, was the first of its kind, and a legislative requirement under AB 2117 (Wayne). The report was compiled over 18 months under the leadership of the Secretary of the Cal/EPA Winston H. Hickox, Secretary for Resources Mary D. Nichols, and State Water Resources Control Board (SWRCB) Chairman Art Baggett. The Joint Task Force evaluated the relationships of state and federal agencies to local watershed group efforts and studied watershed projects geographically from Humboldt Bay in Northern California to Los Penasquitos Lagoon in San Diego.

A watershed is an area of land that drains water (and everything in the water) to an outlet - typically a lake, bay, or the ocean. 'Watershed protection partnerships' have gained popularity around the country and in California, helping to organize scientific data, engage local citizens and landowners in environmental stewardship, and deliver programs and activities to improve natural ecosystems and community health.

The 10 watersheds selected by the Joint Task Force on Watershed Management are (with counties): Humboldt Bay (Humboldt), Yuba River (Nevada), Clear Lake Basin (Lake), Tomales Bay (Marin), Codornices Creek (Alameda), Santa Clara Basin (Santa Clara), Elkhorn Slough (Monterey), Arroyo Seco (Los Angeles), Santa Ana River (Orange), and Los Penasquitos Lagoon (San Diego).

"Watersheds have a wonderful ability to bring people together, even those once in conflict," Secretary Nichols said.
"Watersheds help find what unites rather than what divides a community. They also bring out creativity and innovation by bringing together many viewpoints through the collaborative process."

"We are fortunate to live and work in a state with some of the most diverse and beautiful ecosystems on Earth," SWRCB Chairman Baggett said. "All of us have the responsibility to protect, preserve, and restore these watersheds for the benefit of those that live here, the millions of visitors that recreate here, the migratory birds that rest in our waters, the farms that supply our food, and the generations yet to come. This report is the beginning of a process to set aside differences and do just that."

Please see list of selected watershed projects.

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SELECTED WATERSHED PROJECTS (AB 2117)

- Humboldt Bay Watershed Action Plan and Enhancement Plan (Humboldt Co.) Salmon and other fisheries are
 the focus of this project. The project is citizen-led with help from Department of Fish and Game. This project has
 received two 319(h) grants and is one of the projects with the longest history of staying together.
- Yuba Watershed Collaborative Projects (Nevada Co.) The Yuba River Watershed has a sophisticated watershed council structure that includes working with federal, state and local partners. This watershed effort will demonstrate the link between individual efforts and CalFed programs.
- Clear Lake Basin Watershed Management Project (Lake Co.) This submission was by far the most detailed with data and qualitative information. This watershed has had a lot of successes and can demonstrate how large basin scale efforts are managed.
- 4. <u>Tomales Bay/ Lagunitas Creek</u> (Marin Co.) These two projects are within the same watershed and will be combined to demonstrate scale.
- Codornices Creek Watershed Restoration Action Plan (Alameda Co.) This project is starting an ad hoc creek protection that is watershed wide with the cooperation of federal, state and local entities to restore a self-sustaining steelhead run on this urban creek.
- 6. Santa Clara Basin Watershed Management Initiative (Santa Clara Co.) This project is part of a RWQCB 2 pilot project that is focused on water quality. This is an opportunity to examine the Water Board's Watershed Management Initiative program. It is also an urban watershed.
- 7. <u>Elkhorn Slough Watershed Permit Coordination Program</u> (Monterey Co.) This project demonstrated a watershed-wide permit coordination program.
- Arroyo Seco Watershed Restoration Feasibility Study (Los Angeles Co.) This watershed group is doing a
 comprehensive plan to restore this watershed with the U.S. Park Service, the State Coastal Conservancy and
 others. This project will be used to demonstrate partnerships across agencies and between agencies and
 community groups.
- Santa Ana River Watershed Program (Orange Co.) This project is nested within a greater Santa Ana Watershed Authority. This group was self-started and self-governed and may provide some insight to how groups form and why.
- Los Peñasquitos Lagoon Enhancement Plan and Program (San Diego Co.) This project will give us the
 opportunity to study mitigation funds and projects, land use planning and local and state partnerships.

For more information on the Joint Task Force on California Watershed Management, please visit http://resources.ca.gov/watershedtaskforce/.

PR02:170 FOR IMMEDIATE RELEASE 04/03/2002

GOVERNOR DAVIS AND FIRST LADY SHARON DAVIS DECLARE APRIL 2002 "KEEP CALIFORNIA BEAUTIFUL MONTH" 04/03/2002

SACRAMENTO

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Governor Davis and First Lady Sharon Davis today declared April 2002 "Keep California Beautiful Month." First Lady Sharon Davis also launched the month by planting the first Liberty Garden with children at Peter Burnett Elementary School in honor of the September 11 heroes.

"California's bountiful environmental resources contribute to its economic prosperity, as well as to the quality of life of its residents," Governor Davis said. "Maintaining a clean California is essential to the continued economic health, environmental stability and public safety of our State. Protecting our valuable natural resources is a responsibility shared by all Californians."

First Lady Sharon Davis is the honorary chairperson for Keep California Beautiful, a non-profit public education organization recognized for its contributions to waste management, litter and graffiti prevention programs and its successful grassroots organization involving public and private partnerships.

"Keep California Beautiful is a great program that brings tens of thousands of people together to make our own communities a beautiful place to live," First Lady Sharon Davis said. "I urge all Californians to do their part in keeping our State clean."

The First Lady planted a Liberty Garden out of red, white and blue flowers in the shape of the American flag. This year, Keep California Beautiful is encouraging community groups to plant Liberty Gardens in public areas as a living reminder of those lost in the September 11 attacks. These patriotic gardens will reaffirm our commitment to freedom and celebrate our resilience and strength.

Keep California Beautiful, in concert with its federal, state and local partners, sponsors hundreds of clean up, recycling, and beautification projects throughout the State. The projects are a series of events designed to spark pride and respect for California, its public lands and neighborhoods.

Last year, more than 50,000 volunteers took part in Keep California Beautiful Month. They picked up and recycled litter from beaches, roadways, public lands, beaches and parks. The same is expected this year.

Volunteers interested in participating in April's "Keep California Beautiful" should call 1-800-CLEAN CA.

Please proclamation below.

EXECUTIVE DEPARTMENT STATE OF CALIFORNIA



PROCLAMATION by the Governor of the State of California

WHEREAS, California's bountiful environmental resources contribute to its economic prosperity, as well as to the quality of life of its residents; and

WHEREAS, maintaining a clean California is essential to the continued economic health, environmental stability and public safety of our State; and

WHEREAS, protecting our valuable natural resources is a responsibility shared by all Californians; and

WHEREAS, Keep California Beautiful, a non-profit public education organization, has made valuable contributions to litter and graffiti prevention, and waste management programs at the state and local level; and

WHEREAS, from Eureka to San Diego, Keep California Beautiful has encouraged volunteer grassroots participation and corporate sponsorships to help maintain the brilliant shine of the Golden State; and

WHEREAS, during Keep California Beautiful Month, the State of California, Keep California Beautiful and numerous state and federal agencies will coordinate volunteers to participate in cleanup, beautification and recycling projects throughout our State; and

WHEREAS, this year, Keep California Beautiful is also encouraging community groups to plant Liberty Gardens of red, white and blue flowers to honor the heroes of September 11th;

NOW, THEREFORE, I, GRAY DAVIS, Governor of the State of California, do hereby proclaim April 2002 as "Keep California Beautiful Month."



IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this the twenty-ninth day of March 2002.

/s/ Gray Davis

Governor of California

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PR02:167 FOR IMMEDIATE RELEASE 04/02/2002

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GOVERNOR DAVIS ANNOUNCES FORMATION OF FIRST-EVER STATE RECYCLED WATER TASK FORCE 04/02/2002

Blue Ribbon Panel to Recommend Ways to Increase Water Supplies

SACRAMENTO

Governor Gray Davis today announced the formation and the inaugural meeting of the State Recycled Water Task Force. The blue-ribbon panel of experts recommends ways to increase California's supply of recycled water and has set a goal to provide enough safe recycled water for the needs of up to 1.5 million Californians by 2007.

"Water is without a doubt the lifeline of our State," said Governor Davis. "I formed this important Task Force to make sure that as our State's population expands we will have a safe, reliable and adequate supply of water for all Californians."

The Task Force will discuss a range of subjects, including ways to increase the use of recycled water in industrial and commercial applications; opportunities for increasing the use of recycled water in applications such as commercial laundries; and approaches to work closely with initiatives in the CALFED program to maximize water conservation and water use efficiency strategies.

The Task Force is a result of Governor Davis signing AB 331 into law in October 2001. Organized and administered by the State Department of Water Resources, the Task Force is chaired by Richard Katz, a member of the State Water Resources Control Board. The Task Force is composed of experts on the safe and beneficial uses of recycled water including a broad range of community participants, and representatives from environmental organizations and industry.

Among the Task Force members is Dr. Takashi Asano, a UC Davis adjunct professor of civil and environmental engineering and the 2001 recipient of the prestigious Stockholm Water Prize for his outstanding achievements related to recycled water and protection of the world's water resources. The Stockholm Prize is considered by water scientists to be on par with the Nobel Prize in other disciplines.

The Task Force is holding its first meeting in the Cal/EPA building, 1001 I Street in Sacramento at 10 a.m. on April 3, 2002. The next meeting will be held June 3, 2002 in conjunction with the Water Reuse Research Conference in Los Angeles. The Task Force is charged with preparing a report of recommendations by July 1, 2003.

PR02:361 <u>FOR IMMEDIATE RELEASE</u> 06/26/2002

GOVERNOR DAVIS ANNOUNCES \$59.8 MILLION TO REPAIR ECOSYSTEM IN BAY DELTA AND STATE'S RIVERS 6/26/2002

50 Separate CALFED Projects Funded by Propositions 204 and 13

SACRAMENTO

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Governor Gray Davis today announced 50 ecosystem restoration projects totaling \$59.8 million, as part of the CALFED Bay-Delta Program. Projects include developing wildlife-friendly agricultural practices, scientific research in the Bay-Delta estuary and the construction of fish screens.

"CALFED continues to be a vital part in California's efforts to restore the Bay-Delta ecosystem and improving water management in this state," Gov. Davis said. "CALFED is finding common ground to restore habitat, promote agriculture and develop a more secure and reliable water supply for California."

Funding for the projects come from Propositions 13 and 204.

The 50 projects that were selected out of 260 proposals underwent a rigorous technical and scientific review process that begun in August 2001. Projects were chosen by a 15-member selection panel, which consisted of scientists, agency leaders, and stakeholders. An additional 9 projects are expected to receive funding with \$3.4 million coming from the federal Central Valley Project Improvement Act. Programs selected include:

- Protection and restoration of salmon and steelhead habitats and riverside woodlands on the Tuolumne, Stanislaus, Mokulmne, Cosumnes, American, Yuba, and Sacramento Rivers. Also, on Mill and Deer Creeks - two streams that flow into the upper Sacramento River (\$22.4 million).
- Protection, restoration, and management of marshes and other wetlands in San Francisco Bay, Suisun Marsh, the Delta, and Jepson Prairie (\$7.5 million).
- Research into threats to water quality in the Bay-Delta system, and into water cleanup technologies (\$10.6 million).

To date, over \$336 million in state, federal, and stakeholder funds, as well as cost-sharing agreements, have been awarded for 326 projects under the Ecosystem Restoration Program.

The CALFED Bay-Delta Program is a cooperative effort of more than 20 state and federal agencies working with local communities to improve the quality and reliability of California's water supplies and revive the San Francisco Bay-Delta ecosystem. The 30-year CALFED Plan described in the CALFED Programmatic Record of Decision is the largest, most comprehensive water management effort in the nation.

A brief summary of each approved project and additional information about the Ecosystem Restoration Program is available at http://www.calfed.water.ca.gov/ecosystem_rest.html. General information about the CALFED Program can be found at http://calfed.ca.gov/.



GOVERNOR DAVIS ANNOUNCES REQUEST FOR ENTRIES FOR 2002 GOVERNOR'S ENVIRONMENTAL LEADERSHIP AWARDS 6/26/2002

All nominations are due by August 1, 2002

SACRAMENTO

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Governor Gray Davis today announced the 2002 Governor's Environmental Leadership Awards request for entry. Established in 1993, these awards represent California's highest, most prestigious environmental honor. The award recognizes individuals, organizations, and businesses that have demonstrated exceptional leadership and made notable contributions in conserving California's precious resources, protecting and enhancing our environment and building public-private partnerships.

"It is essential that we recognize the achievements of those who work successfully in balancing environmental and economic concerns," Gov. Davis said. "Our award winners have clearly demonstrated that it is possible, and profitable, to have both a healthy environment and a robust business climate."

This year there are six award categories:

- Energy Conservation Innovative practices that employ environmentally aware techniques or technologies that reduce energy use or increase energy efficiency.
- Children's Environmental Education Exemplary educational programs or curricula to raise children's awareness of, and involvement in, environmental issues.
- Watershed Management Laudable efforts of restoring, enhancing, and improving California's watersheds, while promoting sustainable economic progress.
- Sustainable Practices Pioneering efforts to integrate sound environmental values into management decisions and
 practices, in the long-term, utilizing innovative technologies in the delivery of products and services.
- Border Environmental Protection Exemplary efforts in the California-Mexico border region (60 miles or either side
 of the international boundary) to integrate sustainable development and environmental protection values into
 management decisions and practices that benefit both countries.
- Environmental-Economic Partnerships Efforts that foster unique, cooperative approaches between the private, public, and/or non-profit sectors to achieve both environmental and economic ends.

Competition is open to all California residents, businesses, non-profit organizations, communities, tribes, federal agencies operating in California, professional and trade associations, as well as state and local governmental entities. The award ceremony will be held December 4, 2002 in Sacramento.

All nominations are due by August 1, 2002 at 5:00 p.m. All applications must be postmarked and/or received by this date/time. There are three ways nominations can be submitted for consideration:

By mail: The 2002 Governor's Environmental and Economic Leadership Awards, c/o The California Environmental Protection Agency, 1001 I Street, P.O. Box 2815, Sacramento, CA 95812-2815.

Hand-delivery: To Cal/EPA's Environmental Services Center at 1001 I Street (First Floor).

By e-mail: To geela@ceres.ca.gov.

Applications are available at the California Home Page website at http://www.ca.gov/state/portal/myca_homepage.jsp under "Featured Links" click on: "Governor's Environmental and Economic Leadership Awards."

Or, on the Cal/EPA website at http://www.calepa.ca.gov/2002awards.htm, and Resources Agency website at http://www.resources.ca.gov/2002awards.htm.

Nomination applications can also be obtained by calling the California Environmental Protection Agency at (916) 445-3846 or the California Resources Agency at (916) 653-5656.

PR02:331 FOR IMMEDIATE RELEASE 06/05/2002

GOVERNOR DAVIS APPLAUDS CONGRESSIONAL PASSAGE OF CALFED LEGISLATION 6/5/2002

Legislation Ensures Continued Vitality of the CALFED Bay-Delta Program

SACRAMENTO

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Governor Gray Davis today applauded approval of the CALFED Bay-Delta Authorization Act (S. 1768), legislation sponsored by Senators Dianne Feinstein and Barbara Boxer, by the Senate Energy and Natural Resources Committee.

"Today's action represents a major step toward ensuring the continued vitality of the CALFED Bay-Delta Program," Gov. Davis said. "This legislation is essential to help California maintain timely progress in meeting the State's water quality, water supply and ecosystem restoration needs. It will also preserve the federal government's continued involvement in this critical federal-state partnership."

"Although the State has provided over \$1 billion in state funds over the past two years to launch CALFED, the federal government has an obligation and responsibility to carry its side of the bargain as well," noted the Gov. "By authorizing \$1.6 billion over three years, the Feinstein-Boxer bill takes us in that direction."

"I commend the ongoing leadership of our two senators on this important issue. I want to acknowledge Senator Feinstein for her efforts in guiding the bill through her Energy and Natural Resources Committee," continued Gov. Davis. "This was a hard-fought battle, and she persevered in the face of numerous obstacles."



GOVERNOR DAVIS ANNOUNCES \$23 MILLION TO KEEP SOUTHERN CALIFORNIA BEACHES OPEN AND SAFE 7/4/2002

Governor also Announces \$31 Million for GO SERV AmeriCorps Programs

PLAYA DEL REY

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Governor Gray Davis today announced more than \$23 million in state assistance for communities in three Southern California counties, as part of his Clean Beaches Initiative (CBI). The announcement came at Dockweiler Beach, where Gov. Davis spent Independence Day cleaning the beach with volunteers from California AmeriCorps programs.

"California beaches are one of nature's priceless blessings," Gov. Davis said. "Love of our magnificent coastline is something that all Californians share. This coast is a vital part of our character. It deserves every protection government can afford, from Sacramento and from Washington."

The CBI provides funding for coastal cleanup projects to reduce the number of beach closure days caused by non-point source pollution. This initiative targets 34 of California's most popular beaches and is paid for entirely from Proposition 13-bond money approved by California voters. CBI was one of Gov. Davis' key environmental priorities included in the Governor's 2001-2002 FY Budget signed last July.

The 2000 bond measure sets aside more than \$32 million dollars to assist cities, counties and other beach operators in preventing run-off that can pollute water at the beaches. Gov. Davis announced that \$23.273 million is being targeted for Southern California projects that affect beach quality in Los Angeles, San Diego, and Orange counties. The breakdown for each county is as follows:

Los Angeles County \$11,459,000

- Avalon Beach
- Cabrillo Beach
- Colorado Lagoon
- Dockweiler Beach (Imperial Hwy.)
- Los Angeles River
- Manhattan Beach
- Mothers' Beach-Marina Del Rey
- Redondo Beach Pier
- Santa Monica Canyon
- Santa Monica Pier
- Surfrider Beach/Malibu Lagoon
- Temescal Canyon

San Diego County \$ 7,814,000

- Coronado Beach
- Imperial Beach
- Mission Bay
- Moonlight Beach
- Ocean Beach

Orange County \$ 4,000,000

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- Aliso Beach
- Dana Point Harbor-Baby Beaches
- Dana Point-Poche Creek
- Doheny State Beach
- Huntington State Beach
- Newport Bay

The 20 targeted beaches are visited more than 55 million times each year, producing \$14 billion in tourist and recreational revenue each year.

Gov. Davis also announced that more than \$31 million in federal grants will be awarded through the Governor's Office on Service on Volunteerism (GO SERV) for AmeriCorps programs in California. GO SERV is California's national service commission and is charged with the implementation and oversight of AmeriCorps in California. GO SERV was granted \$31,497,983 million this year to support 65 programs and nearly 6,400 AmeriCorps members in the Golden State. AmeriCorps engages people in a variety of community service projects, such as the Dockweiler Beach clean up. In addition to benefiting communities in which they serve, AmeriCorps members benefit themselves by receiving up to \$4,725 to pay for college. Since 1994, over \$16 million for higher education has been awarded to California's AmeriCorps members.

For more information on all CBI projects, please visit the State Water Resources Control Board Web site at the link below. For more information on AmeriCorps, please visit the GO SERV Web site at the link below.

http://www.goserv.ca.gov/index.asp

http://www.swrcb.ca.gov/

PR02: 453 FOR IMMEDIATE RELEASE 08/22/2002

GOVERNOR DAVIS ANNOUNCES \$300 MILLION IN FINANCING FOR CLEAN WATER INFRASTRUCTURE PROJECTS 08/22/2002

SACRAMENTO

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Governor Gray Davis today announced the sale of \$300 million in revenue bonds by the California Infrastructure and Economic Development Bank for the State Water Resources Control Board's (SWRCB) Clean Water State Revolving Fund (SRF) Program. The financing represents the first time the SWRCB has leveraged its SRF Program through the issuance of revenue bonds.

"California's wastewater treatment infrastructure requires a significant investment in order to meet the high water quality standards established by the State and Federal Governments," Gov. Davis said. "This bond issuance through the Infrastructure Bank provides a new source of funds to provide low-cost financing to local governments for water pollution control projects and for the advancement of innovative water pollution improvements that are critical to our State's future."

The mission of the SWRCB is to preserve, enhance, and restore the quality of California's water resources; and to ensure proper allocation and efficient use for the benefit of present and future generations. The SRF Program provides low-cost financing to local governments for projects eligible under the Federal Clean Water Act, including, but not limited to, planning, designing, construction and implementation of wastewater management systems, storm water management systems, non-point source pollution management systems, and estuary conservation and management. As of June 1, 2002, the SWRCB had funded approximately \$2.35 billion to 126 local government entities for 230 projects.

"This bond issuance will enable us to provide more SRF Program funds to local communities and expedite projects that protect the state's valuable water resources," said Arthur G. Baggett Jr., Chairman of the SWRCB.

For more information about the SWRCB and the SRF Program, visit www.swrcb.ca.gov.

The Infrastructure Bank is a State of California financing authority that promotes the economic growth, quality of life, and revitalization of California communities through low-cost financing of vital infrastructure and economic development projects. Housed within the Governor's Technology, Trade and Commerce Agency, the Infrastructure Bank's programs include the Revenue Bond Financing Program, that provides tax-exempt, revenue bond financing to qualified manufacturing companies, non-profit organizations, and public agencies such as the SWRCB; and the Infrastructure State Revolving Fund Program, which provides direct low-cost financing to local governments for a variety of public infrastructure projects.

The bonds received "AAA" ratings from all three major rating agencies. They will be repaid solely from existing SRF loan repayments and are neither backed nor guaranteed by the Infrastructure Bank or the State of California. For more information about the Infrastructure Bank, visit www.ibank.ca.gov.

PR02: 430 FOR IMMEDIATE RELEASE 08/08/2002

GOVERNOR DAVIS MAKES STATEMENT ON BILL FORD'S WILLINGNESS TO CUT DOWN ON GREENHOUSE GASES 08/08/2002

SACRAMENTO

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Governor Gray Davis issued the following statement today regarding Chairman and Chief Executive of the Ford Motor Company, William Clay Ford Jr.'s, remarks on California's efforts to curb greenhouse gas emissions:

"I am encouraged by Bill Ford's willingness to cooperate with California to achieve the important goal of reducing greenhouse gases. We believe this is a win-win situation for the auto industry, the environment and our children.

"Polls show that the majority of Californians support this bill and our efforts to clean up its air. Bill Ford's comments give us hope that we are getting past the rhetoric and moving cooperatively toward a solution.

"It is my hope that the California Air Resources Board, the auto industry and the scientific and environmental communities can work together to identify a range of paths automakers can take to reduce harmful greenhouse emissions."

L02:213 <u>FOR IMMEDIATE RELEASE</u> 09/28/2002

GOVERNOR DAVIS SIGNS LEGISLATION TO COMBAT INDOOR AIR POLLUTION 9/28/2002

SACRAMENTO

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Governor Gray Davis has signed legislation that represents the first substantive step to address indoor air pollution.

"Indoor air pollution can pose a significant health threat," Governor Davis said. "This bill will provide the basis for future decisions to combat the adverse health effects caused by toxic chemicals, combustion pollutants and biological contaminants."

AB 1173, by Assemblymember Fred Keeley (D-Boulder Creek), requires the Air Resources Board to report on the health effects of indoor air pollution, including possible mitigation options for homes, schools and non-industrial workplaces by January 1, 2004. The report is to undergo external scientific peer review.

There are many sources of indoor air pollution and the harm is wide ranging. The pollutants are as diverse as toxic chemicals, combustion pollutants like carbon monoxide, and biological contaminants such as mold and bacteria. Emissions sources include building materials and furnishings, gas appliances, architectural coatings, consumer products, household and office equipment, and wood stoves and fireplaces. The adverse health effects they cause range from immediate harm, such as asthma and heart pain, to longer-term effects, such as cancer and chronic lung disease.

Children are especially vulnerable to indoor air pollution, since they breathe more air than adults do and their growing bodies are more susceptible to damage.

The Governor also vetoed:

AB 2774, by Assemblymember Fran Pavley (D-Agoura Hills). Subject: Advanced technology vehicle task force. See veto message.

AB 2774 veto message

To Members of the California State Assembly:

I am returning Assembly Bill 2774 without my signature. This bill would require CalEPA to appoint a voluntary stakeholder-based task force to develop a public education campaign encouraging the use of low-emission advanced technology vehicles.

This bill is unnecessary. While I support this new technology that improves our air quality, I believe the bill inappropriately assigns promotion responsibilities to state government. These efforts are best left to the vehicle manufacturers who already have advertising programs to promote their own products. Moreover, the bill creates new costs of \$50,000 to \$100,000 a year at a time when the state is dealing with a \$24 billion shortfall.

Sincerely,

GRAY DAVIS

L02:206 FOR IMMEDIATE RELEASE 09/28/2002

GOVERNOR DAVIS SIGNS BILLS TO PROTECT CALIFORNIA'S WATER QUALITY 9/28/2002

SACRAMENTO

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Governor Gray Davis continued his commitment to protect the State's environment by signing legislation to toughen water quality regulations in California.

AB 2351, by Assemblymember Joe Canciamilla (D-Pittsburg), allows Regional Water Quality Control Boards to direct a portion of a mandatory minimum penalty to a supplemental environmental project. The bill also allows violations of more than one pollutant limit from a single operational incident to be treated as a single violation. AB 2351 further exempts the startup operation of a new or reconstructed wastewater treatment plant from mandatory minimum penalties.

"This bill gives greater flexibility to Regional Water Quality Control Boards in assessing and redirecting penalties to beneficial water quality projects," Governor Davis said.

AB 2481, by Assemblymember Dario Frommer (D-Los Feliz), is an omnibus measure regarding new regulatory requirements for underground storage tanks. The bill provides new enforcement procedures for the Certified Unified Program Agency. It also reenacts a Department of Health Services program to assist public water systems affected by MTBE contamination. AB 2481 makes the date when existing water quality waivers for septic tanks expires consistent with the date by which new standards must be adopted.

"AB 2481 strengthens California's Underground Storage Tank laws to better protect the environment against petroleum leaks," Governor Davis continued. "The bill also facilitates the redevelopment of contaminated sites, and assists local public water agencies whose wells are contaminated by MTBE or other fuel oxygenates." the Governor added.

AB 2486, by Assemblymember Fred Keeley (D-Boulder Creek), enacts the Local Environmental Enforcement and Training Act of 2002. The Act provides funding to local prosecutors, environmental regulators, and peace officers for specialized training in environmental law. The Act also transfers the Department of Toxic Substances Control's Hazardous Material Enforcement and Training Account to Cal/EPA to fund these activities.

"Many small, rural counties lack the resources to ensure the appropriate enforcement and prosecution of environmental laws," Gov. Davis said. "Now we are giving these communities the tools to increase enforcement and compliance with California's environmental laws."

Gov. Davis also vetoed the following legislation:

AB 1972, by Assemblymember Dario Frommer (D-Los Feliz) Subject: Drinking water: reports regarding contaminants.

AB 1972 veto message

To Members of the California State Assembly:

I am returning Assembly Bill 1972 without my signature.

This bill requires the Office of Environmental Health Hazard Assessment to prepare a statement of health concerns associated with the ingestion in drinking water of any contaminant for which there is a public health goal and include this information in the consumer confidence reports.

This bill imposes new requirements that have the unintended effect of confusing, rather than informing, the public by potentially overstating the health risk effect. Moreover, the bill will result in a cost of \$75,000 to the Office of Environmental Health Hazard Assessment at a time when the state is dealing with a \$24 billion shortfall.

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Sincerely,

GRAY DAVIS

L02:195 <u>FOR IMMEDIATE RELEASE</u> 09/27/2002

GOVERNOR DAVIS SIGNS CLEAN AIR BILL 9/27/2002

Smog Check Extended to Bay Area Will Reduce Smog, Aid Central Valley in Meeting Air Laws

SACRAMENTO

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Governor Gray Davis today signed legislation that will eliminate 26 tons of pollution per day in California and help the Central Valley meet federal clean air standards.

The bill, AB 2637 by Assemblymember Dennis Cardoza (D-Merced), extends California's Smog Check II program to the Bay Area, the last major urban region in the state not using the advanced testing.

"This bill will result in cleaner air for all of us," Gov. Davis said. "Motorists in the affected areas are being asked to do no more than our fellow Californians have been doing for years. Motorists in Sacramento, Los Angeles, San Diego and many other cities know that Smog Check II pays huge dividends in reduced smog."

Under the terms of AB 2637, an additional 4.5 million vehicles will be tested with advanced equipment. The effect on motorists will only be incremental, but the net benefit will be significant. The Air Resources Board (ARB) estimates a reduction of ten tons daily in reactive organic gasses (also known as volatile organic gasses) and 16 fewer tons of oxides of nitrogen (NOx) from exhaust pipes of affected vehicles. Both are major precursors to smog. Benzene, a carcinogen emitted from exhaust pipes, will be reduced an estimated 640 pounds per day.

The reduced emissions are the equivalent of the total pollutants from 425,000 automobiles, 18,000 heavy-duty diesels or 45 new 500 MW power plants.

"This bill recognizes that air pollution knows no boundaries," Gov. Davis added. "When the wind blows the pollution produced by one region into another, people are forced to breathe 'Secondhand Smog.' We can't stop pollution from traveling from one region to another. But we can stop the pollution from being created in the first place."

California passed its own clean air standards well before a federal Clean Air Act was established. Earlier this year, Gov. Davis signed legislation that made California the first state in the U.S. to take significant steps to protect its air from greenhouse gases. California has the toughest clean air standards in the nation.

"California has led the way to cleaner vehicles," Gov. Davis said. "Many improvements that started here have been copied nationwide and overseas. We have the cleanest vehicle fleet in the nation. This bill recognizes that fact and permits us to concentrate on those vehicles that may require adjustments."

AB 2637 becomes effective on January 1, 2003. However, motorists will not begin the tests until the Bureau of Automotive Repairs determines that enough testing infrastructure is installed so that drivers will not be inconvenienced.

The bill also extends a no-testing period for new cars. Under current law, new cars are not required to have smog checks in their first four years on the road. Because today's vehicles' pollution control equipment is more durable and has a lower failure rate, the law specifies that the exempt period may be increased to six years if the ARB determines that there will be no major adverse impact on California's air quality. This provision applies to vehicles statewide.

L02:166 <u>FOR IMMEDIATE RELEASE</u> 09/23/2002

GOVERNOR DAVIS SIGNS LEGISLATION TO ESTABLISH GOVERNANCE STRUCTURE FOR CALFED 9/23/2002

Bill Will Help Improve Health of Bay-Delta System

LOS ANGELES

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Governor Gray Davis has signed legislation to enact the California Bay-Delta Authority Act and establish a new Authority within the Resources Agency to oversee the implementation of the CALFED program.

"This measure will better coordinate the actions of the State agencies that are part of the CALFED Record of Decision," Governor Davis said. "This will lead to improved health of the fragile Bay-Delta system and provide more capacity to those who depend on the Bay-Delta for water."

SB 1653, by Senator Jim Costa (D-Fresno), creates an Authority within the Resources Agency consisting of six State and six federal agencies, if the federal agencies are allowed to participate, seven public members, one member from the Bay-Delta Public Advisory Committee and four nonvoting ex officio members of the Legislature. The bill also requires the Governor, in consultation with the Secretary of the Interior, to appoint a director. SB 1653 requires the Authority to appoint a lead scientist, and establish an independent science board. The Authority will sunset on January 1, 2006, unless federal legislation has been enacted authorizing the participation of appropriate federal agencies in the Authority.

There is currently no formal governance structure for CALFED in existing law. CALFED relies on the collaborative efforts and resources of its constituent agencies, each operating under its independent statutory authority to implement the various elements of the Record of Decision.

L02:157 FOR IMMEDIATE RELEASE 09/20/2002

GOVERNOR DAVIS SIGNS LEGISLATION TO PROTECT CALIFORNIA'S COASTLINE 9/20/2002

AB 2534 to Reduce Beach Closures; Improve Water Quality

SACRAMENTO

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Governor Gray Davis signed legislation to protect California's coastline by making \$300 million in Proposition 40 funds available for grants to public agencies and nonprofit organizations to clean beaches and make other coastal and water quality improvements throughout the state.

"Our beaches and our coastline are a precious part of California's character, they define who we are and what we believe in," said Gov. Davis. "It's our historic obligation to future generations to do everything we can to keep our beaches healthy and clean. With Propositions 12, 13, and 40, we've passed three of the largest environmental bonds in history. Last year, we started a first-of-its-kind "Clean Beaches" initiative. Today, I'm pleased to take additional action that builds on our efforts to keep our beaches clean, our water safe and reduce beach closures."

AB 2534, by Assemblywoman Fran Pavley (D- Agoura Hills), will provide \$175 million in Proposition 40 funding to protect coastal water quality, reduce storm water runoff pollution, improve agricultural water quality, and develop and implement local watershed management projects. It also provides \$46 million to the Coastal Conservancy for coastal watershed protection and "Clean Beaches" projects.

Proposition 40, the Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Bond Act, provides a total of \$2.6 billion for various projects, including state park acquisition and development, local parks, historical and cultural resources, land conservation, and water quality. Of the \$2.6 billion, \$300 million was set aside specifically for "Clean Beaches, Watershed Protection, and Water Quality" projects.

Of the \$300 million available, this bill appropriates a total of \$223.4 million for water quality projects, including \$46 million to the State Water Resources Control Board (SWRCB) for competitive grants for "Clean Beaches."

The signing of AB 2534, allows the SWRCB to begin a competitive selection process to award grants to coastal cities and counties for projects that will restore water quality and reduce beach closures. The types of projects that will be funded include upgrading or repairing sewer collection systems and septic tank systems, and stormwater collection and treatment. The program will be very similar to the existing Governor's "Clean Beaches Initiative" established with Proposition 13 funds.

"These projects will help us reverse the effects of environmental neglect in some of our most popular beach areas," added Gov. Davis. "This funding will help state and local agencies address contamination -- making our beaches safer, and ensuring the economic vitality of coastal communities throughout the state," added Gov. Davis.

L02:140 FOR IMMEDIATE RELEASE 09/18/2002

GOVERNOR DAVIS SIGNS BILL TO KEEP HOUSEHOLD HAZARDOUS WASTES OUT OF LANDFILLS 9/18/2002

SACRAMENTO

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Governor Gray Davis has signed legislation to keep household hazardous wastes out of landfills by making it easier and safer to dispose of items like latex paint, antifreeze, used oil and used oil filters.

"I sponsored this legislation to make it easier for citizens and small businesses to dispose of hazardous wastes in a safe and environmentally friendly manner," Gov. Davis said. "By making it more convenient, we are making it safer to dispose of hazardous wastes."

SB 1011, by Senator Byron Sher (D-Palo Alto), authorizes household hazardous waste collection systems to conduct curbside collection of household hazardous wastes and transfers the Registered Environmental Assessor program from the Office of Environmental Health Hazard Assessment (OEHHA) to the Department of Toxic Substances Control (DTSC). By transferring the Registered Environmental Assessor program from OEHHA to DTSC, this bill will help the program to run more efficiently and reach its full potential.

The measure also makes technical changes to the Registered Environmental Assessor program and corrects a drafting error in SB 649 (Sher, 2002), regarding mercury-containing motor vehicle light switches.

L02:100 <u>FOR IMMEDIATE RELEASE</u> 09/08/2002

GOVERNOR DAVIS SIGNS ENVIRONMENTAL LEGISLATION TO PROTECT CALIFORNIA'S AIR AND WATER 9/8/2002

LOS ANGELES

- 1

Governor Gray Davis has signed legislation that strengthens California's air and water quality protection laws.

"Nothing is more fundamental than protecting the air we breathe and the water we drink," Governor Davis said. "These bills will protect our environment and our quality of life."

Governor Davis signed the following bills into law:

SB 812, by Senator Byron Sher (D-Palo Alto), makes California one of the national and world leaders in establishing a forest carbon market. The bill allows forest landowners to manage their lands as forest lands, allowing harvesting and the replanting of trees, while providing opportunities to store a net increase in CO2.

For some time, California has been developing a comprehensive strategy to simultaneously reduce the state greenhouse gas (GHG) emissions (including CO2) while dealing with the negative impacts associated with global climate change. Governor Davis recently signed legislation (AB 1493 - Pavley) creating a Climate Registry which will require a reduction in passenger car CO2 emissions. Enactment of SB 812 establishes a forest carbon market that would complement these efforts.

SB 1822, by Senator Byron Sher (D-Palo Alto), provides additional public health protection from the risks associated with rocket fuels, explosives and some fertilizers, which have all been identified in California as a contaminant of ground water.

Perchlorate is a chemical constituent of rocket fuels, explosives and some fertilizers that has been found to be a ground water contaminant. Perchlorate interferes with the uptake of iodine by the thyroid gland, which can result in adverse health problems.

SB 1808, by Senator Bruce McPherson (R-Santa Cruz), requires the Office of Planning and Research to report to the Governor and the Legislature annually on the implementation of the State Environmental Goals and Policy Report.

AB 2971, Assemblymember Virginia Strom-Martin (D-Duncans Mills), revises the definition of wastewater treatment facilities that are regulated by the State Water Resources Control Board (SWRCB). The bill also requires the facilities to employ certified operators. AB 2971 includes all privately owned wastewater treatment plants treating sewage generated from structures designed for human habitation.

AB 1561, by Assemblymember David Kelley (R - Hemet), requires the California Energy Commission to adopt a water factor standard for residential clothes washers by January 1, 2004, that would be at least as efficient as the standard for commercial washing machines. The bill also directs the Energy Commission to petition the U.S. Department of Energy for a waiver from preemtion of the federal standard.

AB 1393, by Assemblymember Helen Thomson (D - Davis), expands the use of hearing panels and pre-hearing conferences by Regional Water Quality Control Boards (RWQCB) to make more efficient use of the members' time and facilitate resolution of issues at their meetings.

PR02:561 <u>FOR IMMEDIATE RELEASE</u> 10/30/2002

- 1

GOVERNOR DAVIS WELCOMES SCHOOLS' 1,000TH ENVIRONMENTAL REVIEW REQUEST 10/30/2002

Law Signed By Gov. Davis Requires Schools to Undergo Environmental Review Before Building New or Expanding Existing
Schools

SAN DIEGO

California is setting a national standard by requiring school districts to submit environmental reviews for new and expanding school sites that receive state funding. With a submittal from San Diego City Schools today, the Department of Toxic Substances Control (DTSC) reached the milestone of 1,000 requests for environmental review and oversight from California's school districts.

Legislation signed by Governor Gray Davis that went into effect January 1, 2000 requires school districts that construct new, or expand existing schools, to undergo an environmental review under DTSC's oversight.

"There is nothing more important than protecting our children," said Gov. Davis. "It's critical that the schools we build for the new millennium are safe and conducive learning environments. This oversight will shield schoolchildren from dangerous hazardous materials by requiring every new public school site to meet strict environmental standards."

The review and oversight process was outlined in 1999 legislation, AB 387 by Assemblymember Scott Wildman (D-Los Angeles) and SB 162 by Senator Martha Escutia (D-Montebello), and applies to school districts using state funds for construction. If necessary, DTSC must also oversee any environmental cleanups required at school sites covered by the legislation.

"Under the leadership of Governor Davis, DTSC is playing a key role in providing additional classroom space for California's growing student population, while at the same time certifying that environmental conditions at school sites are safe," said Ed Lowry, Director of DTSC.

Lowry's comments were made during a ceremony in San Diego marking the 1,000th submittal made to DTSC's School Property Evaluation and Cleanup Division. The San Diego district submitted a report to determine if environmental conditions at the property posed a risk to children at the proposed Mead Elementary School, Alternative B Site -- a project that will relieve overcrowding at the adjacent Chollas Elementary School located at 545-45th Street in San Diego.

Since the program was established, DTSC has worked with more than 329 school districts in 47 of California's 58 counties, meeting the highly compressed deadlines set forth in the legislation.

"The State has worked hard with school districts to ensure the process does not slow the construction of new schools," the Governor added. "We're addressing California's need for additional classroom space, while keeping children safe from potential environmental hazards."

Each submittal to DTSC goes through the following three-step process:

1. Phase I Environmental Site Assessment

This involves a records review to determine former uses of the property, and if there is any potential for hazardous materials to exist on the site. Approximately 44 percent of the projects submitted to DTSC require no further environmental actions, related to hazardous waste, following assessment.

2. Preliminary Endangerment Assessment (PEA)

If there is the potential for contamination, a PEA is conducted. This typically involves sampling and risk assessment

conducted according to DTSC's guidelines. Approximately 80 percent of the projects submitted to DTSC require no further action following the PEA.

3. Cleanup (Removal or Remedial Actions)

If the PEA determines that the contamination poses a risk, and if the school district agrees to proceed with the school project, DTSC oversees cleanups at the site. Following this cleanup, no further environmental cleanup is required and construction can begin. Approximately 50 projects submitted to date to DTSC end up undergoing this phase of the process.

PR02:534 <u>FOR IMMEDIATE RELEASE</u> 10/18/2002

GOVERNOR PROCLAIMS "CLEAN WATER MONTH" FOR 30 YEARS OF THE FEDERAL CLEAN WATER ACT 10/18/2002

SACRAMENTO

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Governor Gray Davis today marked the 30th anniversary of the federal Clean Water Act with a reminder to all Californians that rivers, bays and the ocean are unique resources and reflect the overall condition of the environment.

"My administration is working in partnership with a variety of government offices, nonprofits and landowners to restore the health of our valuable natural heritage," Gov. Davis said. "The approval yesterday of \$84 million in water and beach-related projects is just an example of our commitment to on-going improvement."

Gov. Davis proclaimed October 2002 as "Clean Water Month" in California in commemoration of 30 years of federal protection for water quality. In 1972, Congress enacted the Federal Water Pollution Control Amendments known as the Clean Water Act.

October 2002 is a milestone in the efforts to protect America's water resources and presents an opportunity to enhance the public's appreciation for our water resources. The Clean Water Act, one of the first and most successful national environmental laws to be passed by Congress, set the goal of restoring and maintaining the chemical, physical, and biological integrity of the nation's waters.

At the state level, Gov. Davis championed the Water Bond of 2000 (Proposition 13), which authorized \$2 billion in funding for clean water and safe parks. Projects funded by Proposition 13 support safe drinking water, flood protection, water quality and water reliability projects throughout California. Proposition 13 provided \$695 million for water quality projects. This year's Proposition 40, also championed by Gov. Davis, makes \$300 million available for grants to public agencies and nonprofit organizations for clean beaches and other coastal and water quality improvements throughout the state.

In the three-decade history of the Clean Water Act, programs have yielded measurable improvements in water quality throughout the nation. Streams that were once devoid of fish and other aquatic life now have numerous and varied aquatic populations. Lakes that were once choked by pollution are now vastly improved. Point source discharges from municipal and industrial sources are being controlled.

To celebrate this historic month, water-related activities are planned nationwide. To view a list of activities, please go to the Year of Clean Water Web site at http://www.yearofcleanwater.org/

Please view the Proclamation below.

EXECUTIVE DEPARTMENT STATE OF CALIFORNIA



PROCLAMATION by the Governor of the State of California

WHEREAS, clean water is a vital natural resource for Californians; and

WHEREAS, Californians have demonstrated their support for protecting and enhancing the quality of our State's rivers, streams, lakes, wetlands, coastal waters and groundwater; and

WHEREAS, the maintenance and improvement of water quality is essential to protect public health, fisheries, wildlife, agriculture, economic development and recreation activities in the Golden State; and

WHEREAS, since the enactment of the California Porter Cologne Water Quality Control Act in 1969 and the Federal Water Pollution Control Act (Clean Water Act) in 1972, we have made substantial progress toward improving water quality; and

WHEREAS, we still face significant challenges in protecting our precious water resources from point and nonpoint sources of pollution; and

WHEREAS, it is important to continue efforts to further development and innovation in water pollution control management practices, research, technology, and education programs; and

WHEREAS, October 2002 marks the 30th anniversary of the enactment of the Clean Water Act;

NOW, THEREFORE, I, GRAY DAVIS, Governor of the State of California, do hereby proclaim October 2002 as "Clean Water Month."



IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this the twenty-ninth day of July 2002.

/s/ Gray Davis

Governor of California

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PR02: 631 <u>FOR IMMEDIATE RELEASE</u> 12/10/2002

GOVERNOR DAVIS EXPRESSES DISAPPOINTMENT AT EPA'S EFFORT TO WEAKEN AIR QUALITY STANDARDS 12/20/2002

Sends Letter to U.S. EPA Administrator Christine Todd Whitman

SACRAMENTO

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Governor Gray Davis today sent a letter to U.S. Environmental Protection Agency Administrator Christie Todd Whitman, expressing his disappointment that the EPA will relax important life-saving air quality standards throughout the nation.

"California has some of the most stringent environmental laws on the books," Gov. Davis said. "Those laws and standards are strict so our future generation of children have a fighting chance to live in an environment that is clean and healthy. This proposal begins to erode those protections we have fought so hard to maintain."

The EPA announced last month that it is eliminating certain industrial emissions requirements for businesses like power plants, paper mills, and oil refineries. Gov. Davis disagrees with the Administration's reasoning that weakening the proposed standards will create less air pollution.

"The U.S. EPA's action relaxing the so-called New Source Review (NSR) rules will bring us more air pollution," said Gov. Davis. "This will mean more health problems for many of our nation's citizens at a time when health care costs are escalating."

NSR rules require industrial facilities to install and modernize air pollution control equipment. California has successfully used NSR rules to reduce harmful air emissions and protect the health of its citizens.

"We trust that the federal EPA will honor its commitment allowing California to continue enforcing environmental initiatives that are more protective of public health than federal rules, and to allow other states to adopt California's more protective standards should they choose to do so," Gov. Davis said.

See letter below.

December 10, 2002

Administrator Christine Todd Whitman United States Environmental Protection Agency 1200 Pennsylvania Avenue, NW Washington, D.C. 20460

Dear Administrator Whitman:

I am writing to express my disappointment at the U.S. EPA's recent action to significantly weaken air pollution rules for large industrial facilities such as power plants and oil refineries. At a time when the federal government seems bent on relaxing environmental standards, California feels the need to continue our history of expanding environmental protection. We feel that aggressive environmental regulation directly leads to better health for our citizens. The U.S. EPA's action relaxing the so-called "New Source Review" (NSR) rules will bring us more air pollution not less. This most certainly will mean more health problems for many of our nation's citizens at a time when health care costs are escalating.

The EPA's action is particularly unfortunate at a time when the technology to reduce pollution from these large facilities has been tried and proven. Until this EPA action, NSR rules required installation or modernization of air pollution control equipment at the time it would be least expensive, when new industrial facilities were being built or upgraded. By backing off on requirements for large facilities to reduce emissions, new pressures to reduce emissions may be added to those who

can least afford it—small business owners. The EPA should not retreat from the cost-effective NSR methods of bringing our citizens cleaner air.

California has a long and successful commitment to environmental protection. For decades our state has been a leader in protecting the environment and thereby protecting the health of our citizens. NSR has been used here to successfully reduce harmful air emissions from a variety of large industrial facilities. Our plans for more progress in reducing air pollution rely, in part on continued use of NSR rules. We trust

The Honorable Christine Todd Whitman December 10, 2002 Page Two

that the federal EPA will honor its commitment allowing California to continue enforcing environmental initiatives that are more protective of public health than federal rules, and to allow other states to adopt California's more protective standards should they choose to do so.

Sincerely,

GRAY DAVIS

PR02:621 FOR IMMEDIATE RELEASE 12/04/2002

GOVERNOR DAVIS ANNOUNCES WINNERS OF PRESTIGIOUS ENVIRONMENTAL AWARDS 12/4/2002

Winners Honored for Protecting the Environment While Sustaining Economic Development

SACRAMENTO

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Governor Gray Davis today announced the winners of the 2002 Governor's Environmental and Economic Leadership Awards. California Environmental Protection Agency (Cal/EPA) Secretary Winston H. Hickox and Secretary for Resources Mary Nichols presented the awards at the Cal/EPA Headquarters Building in Sacramento.

"We are honoring some of the most innovative companies and organizations in our state," Gov. Davis said. "As our award-winners are proving, it is possible to have the best of both worlds; a healthy environment and strong bottom lines."

Established in 1993, the Governor's Environmental and Economic Leadership Awards are the state's most prestigious environmental honor. This year's awards recognize outstanding contributions by 14 companies, organizations or government offices in five fields. Recipients are chosen from throughout California for excellence in protecting the environment and conserving natural resources, while promoting compatible, sustainable economic development.

The 2002 recipients, by category, are:

Sustainable Practices

- Thanksgiving Coffee Company Mendocino
 Thanksgiving Coffee Co., based in Northern California and established in 1972, is the specialty coffee industry
 leader in the roasting of socially, environmentally, and economically responsible coffees in the United States.
 Thanksgiving Coffee Co. pays significant premiums above market for organically grown, fair-traded and shade certified coffees.
- 2. Anheuser-Busch, Inc., Fairfield Brewery Sustainable Practices Anheuser-Busch's Fairfield brewery has integrated environmental practices and concepts into business decisions for sustainable growth, continued commitment to quality, and environmental protection. The brewery's environmental management system (EMS) program minimizes environmental impacts via recycling, reuse, and reclamation and promotes conservation practices for raw materials and energy use. The Fairfield brewery has the distinction of being the only American brewery certified under ISO 14001 and is a charter member of the U.S. EPA's National Environmental Performance Tracking System.
- 3. Yosemite Concession Services Corp. GreenPath Environmental Management System(Mariposa County) Yosemite Concession Services Corporation (YCS) is the primary concessionaire in Yosemite National Park. Recognizing its role as a steward of the park, YCS has implemented an environmental management system, called GreenPath, that incorporates environmental considerations into all business decisions; promotes ecologically sound values through education and interpretive programs for visitors and employees; and is dedicated to sustainable practices designed to reduce impacts resulting from concession operations.
- 4. Association of Bay Area Governments Bay Area Green Business Program (Alameda, Contra Costa, Marin, Napa, Santa Clara, and Sonoma Counties)
 - The Bay Area Green Business Program has helped hundreds of businesses implement practices that contribute to environmental and economic sustainability. The program assists and recognizes businesses that voluntarily go beyond compliance to prevent pollution, conserve energy and water, and minimize solid and hazardous waste. Launched in 1996 with a focus on small and medium-sized businesses, the program initially certified auto repair shops in two counties. Currently, the program has certified businesses in 17 industries and in six counties.

Energy Conservation

- 1. Wells Fargo Bank Energy Conservation/Energy Awareness Training (Statewide) Wells Fargo Bank established a comprehensive energy conservation effort years ago, and in 2000, determined that a company-wide plan was necessary. The primary goals were to reduce energy usage by 20 percent, to educate employees in energy conservation methods, and to design and operate energy-efficient buildings. Monitoring in 30 branch locations was begun in June 2001 and between June - December 2001, energy usage for these locations was reduced an average of 24 percent, saving 784k kwh of electricity. In the seven largest owned/managed facilities, electrical consumption for 2000/01 was reduced by an average of 16 percent, a savings of more than 7 million kwh of electricity.
- 2. County of Alameda Energy Program (Alameda Co.) Alameda County's energy program has been in existence since 1990 and focused its efforts in 2001 to help alleviate California's energy shortage and to encourage others to follow its lead in energy efficiency. Using advanced technology, the county became a major producer of electricity from clean, renewable sources. Alameda County is now home of the nation's largest rooftop photovoltaic system that generates 1.18 megawatts of solar generated power. In response to California's energy crisis, the county effectively implemented projects that now generate 1.4 million kwh in renewable energy and reduces its energy usage by an additional 1.9 million kwh at county facilities.
- 3. Vallejo Sanitation & Flood Control District (Solano County)
 This district has saved energy for 15 years. Using technologies to reduce energy use and air emissions, the district saves over \$400,000 annually on energy costs through available energy programs and equipment replacement projects. To date, the district has received more than \$700,000 in rebates for energy projects completed. This comprehensive energy conservation effort has resulted in a total of 7,570,200 kwh saved since 1992.

Children's Environmental Education

- 1. TreePeople, Inc. Education Programs (Los Angeles)
 Founded in 1973, TreePeople's mission is to inspire the people of Los Angeles to take personal responsibility for the urban forest. TreePeople has led volunteers to plant a million and a half trees in Southern California and involves more than 100,000 students, adults, and community leaders in environmental stewardship every year. The Campus Forestry Program trains teachers and students to design strategic tree plantings for their campuses in a curriculum built upon the State of California's academic standards. To date, more than 20,000 students, teachers, and parents have planted more than 4,000 trees on 60 public school campuses. Generation Earth is a County of Los Angeles program designed and administered by TreePeople. Focusing on middle-school and high-school students, this program trains teachers to integrate environmental service learning with their core curriculum and supports students in creating environmental projects. Last year more than 65,000 students at 64 schools participated.
- 2. Adopt-A-Watershed (San Francisco-based/Statewide) Adopt-A-Watershed helps communities develop educational programs focused on local watersheds that encourage stewardship and enhance student learning. Founded in Trinity County in 1989, Adopt-A-Watershed has evolved into an innovative 17-unit interdisciplinary science curriculum and a model that brings together natural resource agencies, community organizations, businesses, educators, and landowners on behalf of their community's environmental and educational welfare. Adopt-A-Watershed has trained more than 20,000 teachers and community leaders who reach more than 200,000 students each year.
- 3. Santa Clara Valley Water District Educational Outreach Program (Santa Clara Co.) The Santa Clara Valley Water District's Education Outreach Program targets pre-K through college students and educators with a comprehensive range of environmental curricula, from water conservation and urban runoff issues to flood awareness and watershed stewardship. Popular classroom materials are designed for all grade levels, from the "Water Cycle Boogie" for the younger grades, to the "Which Way To the Bay" game for older students. In the 2000/01 school year, the program reached 18,485 students and 1,182 teachers. It provided 18 in-services for teachers, composed a water conservation pledge, and created a Project WET companion teacher's guide for preschool teachers.

Watershed Management

1. Blue Ridge/Berryessa Natural Area Conservation Partnership (Solano, Napa, Yolo, Lake and Colusa Counties)
The Blue Ridge/Berryessa Natural Area Conservation Partnership is a voluntary group of 40 partners: private landowners, public land managers, regional inhabitants, and recreational users dedicated to the conservation, preservation, and management of over 500,000 acres of natural, wild, agricultural and recreational lands located in the upper Cache and Putah Creek watersheds of Solano, Napa, Yolo, Colusa, and Lake Counties. Examples of the Partnership's successor over the past three years include the protection of pearly 30,000 acres of RPBNA lands by

Partnership's successes over the past three years include the protection of nearly 30,000 acres of BRBNA lands by conservation easements and the public acquisition of 25,000 acres with an additional 13,000 under negotiation.

Spenceville Wildlife Area and Mine Reclamation (Nevada County)

The Spenceville Wildlife Area and Mine Reclamation Project is a unique and successful blending of multiple government and private sector entities to eliminate a significant environmental and safety hazard while enhancing the recreational opportunities of public lands. Prior to reclamation, this 10-acre site encompassed 60,000 cubic yards of mine waste, and a one-half acre water-filled mine pit. The mine pit contained 7.5 million gallons of pH 2.5 acid mine drainage that leached into Dry Creek and Little Dry Creek in Nevada County. In 1990, the Department of Fish & Game and the Regional Water Quality Control Board entered into a cooperative agreement for reclamation of the site and ultimately, in collaboration with private-sector partners, the reclamation was complete in 2001, enhancing the health of the Dry Creek Watershed.

Environmental Economic Partnerships

- Placer Legacy Open Space and Agricultural Conservation Program (Placer Co.)
 The Placer Legacy Program was developed to permanently protect the open space resources of Placer County, a county that has been the fastest growing in California. In 1998, the Board of Supervisors recognized a need to balance economic growth with a proactive conservation effort and worked collaboratively with the Sierra Business Council to initiate the project.
- 2. Chino Basin Organics Management Strategy (San Bernardino Co.) The Chino Basin Organics Management Strategy provides an integrated, cross-media program for protecting Southern California water resources through clean-up, treatment and reuse of locally-produced organic materials, including manure, biosolids, and green waste. Developed in 2001 by the Inland Empire Utilities Agency in partnership with the Milk Producers Council, and local, state, and federal agencies, this program uses digester technology to transform waste materials into renewable energy and fertilizer products while providing significant air and water quality benefits.

A full description of the recipients of this year's awards can be found at the link below.

http://www.calepa.ca.gov/awards/GEELA/default.htm

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PR03:009 FOR IMMEDIATE RELEASE 01/09/2003

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STATE SIGNS CONSENT ORDER TO INVESTIGATE AND CLEANUP THE ASCON LANDFILL SITE 1/9/2003

38-Acre Site Contains Numerous Contaminants, Including Arsenic and Lead

HUNTINGTON BEACH

Governor Gray Davis today announced the signing of a landmark consent order in which seven major corporations agreed to work together to investigate and clean up the Ascon Landfill located in Huntington Beach. The order, developed by the State's Department of Toxic Substances Control (DTSC), enables the site to be cleaned up for appropriate future land use.

"This agreement is a significant achievement that brings together, for the first time, a group of companies with the financial resources to investigate and clean the Ascon property," said Governor Davis. "With the State's leadership, this agreement ensures the protection of public health and will enable the revitalization of a magnificent coastal property."

The corporations (responsible parties) who signed the Consent Order are: Atlantic Richfield Company; Chevron Environmental Management Company; Conoco Inc. and Phillips Petroleum Company; The Dow Chemical Company; Shell Oil Company; Southern California Edison Company; and Northrup Grumman Space & Mission System Corporation (formerly known as TRW Inc.). DTSC expects to issue an enforcement order to additional parties who have not signed on to the consent order.

"We are glad that the many parties involved have reached an agreement that paves the way for the final investigation and clean up of the site," said Ed Lowry, DTSC Director.

The 38-acre site is located at the southwest corner of Hamilton Avenue and Magnolia Street in Huntington Beach. The landfill operated from approximately 1938 through 1984, and accepted waste from oil drilling operations and construction activities. Many contaminants where found at the Ascon site, including volatile organic compounds, semi-volatile organic compounds, and metals including arsenic and lead. The site has remained vacant since 1984.

In accordance with the Consent Order, the cleanup plan for soil/waste and the associated environmental impact report are being prepared. Future site activities include a pilot study, a remedial investigation to determine the extent of groundwater contamination and an air-monitoring program to gather air data related to the site.

PR03:049 FOR IMMEDIATE RELEASE 02/18/2003

CALIFORNIA FIGHTS TO KEEP HISTORIC CLEAN AIR RULES 2/18/2003

SACRAMENTO

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Fighting to retain its historic clean air quality regulations, the State of California last week went to court to fend off efforts by some automakers and the federal government to weaken the state's zero emission vehicle (ZEV) rules.

"It's extremely unfortunate that California must defend its historic clean air regulations against Detroit, special interests and federal government," Governor Gray Davis said. "The very idea that the federal government should fight a state's right to clean the air is puzzling."

"The Administration and Congress is waging an unrelenting war on the environment," said Winston Hickox, Secretary of California Environmental Protection Agency (Cal/EPA). "It has acted to weaken or planned to weaken regulations that have worked for decades to protect clean air, clean water and national forests. While claiming it believes in states' rights to set environmental rules that are more protective than anemic federal rules, the Administration has rejected California's efforts to make cheaper, less-polluting gasoline by removing federally-mandated oxygenates."

Last November the federal government announced a weakening of regulations to control pollution from power plants and other large industrial facilities and pronounced this action a great leap forward for cleaner air.

California's ZEV rules have been the catalyst for many of the advanced technologies now found in motor vehicles, including the development of zero emission battery powered vehicles, the increasing popularity of hybrid cars and the expanding interest in fuel cell technology. Originally adopted in 1990, the ZEV rules have been updated several times and were to require auto manufacturers to sell small numbers of ZEVs in 2003. That requirement was suspended in May 2002 by the court injunction that California attorneys argued against in San Francisco last Thursday.

Since the beginning of the Davis Administration, the state has been a member of the California Fuel Cell Partnership to pioneer hydrogen-powered fuel cell vehicles, an effort to which the Bush Administration is only now beginning to pay attention.

PR03:158 FOR IMMEDIATE RELEASE 04/22/2003

GOVERNOR DAVIS ISSUES STATEMENT ON EARTH DAY 4/22/2003

SACRAMENTO

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Governor Gray Davis today made the following statement in celebration of Earth Day 2003 in California:

"Earth Day is a time for people around the globe to celebrate our natural heritage. Nowhere is Earth Day more revered than here in California, where we enjoy some of the most diverse, beautiful, and precious natural resources in the world.

From our rivers and streams, to ancient forests, to remote mountain ranges, to more than 1,100 miles of coastline, California is defined by our natural heritage.

As Governor, I'm proud that we've set the national standard for environmental stewardship. In the past year, we've scored many victories for our environment, including: ensuring California has the right to review any expanded offshore drilling; protecting clean air and clean water; preserving open land as state parks; and creating the nation's first law to address greenhouse gas emissions.

As we celebrate this Earth Day, California will continue to lead the nation in protecting our natural resources for future generations to enjoy."

PR03:156 FOR IMMEDIATE RELEASE 04/22/2003

GOVERNOR DAVIS APPLAUDS FUEL CELL PARTNERSHIP 4/22/2003

Says Public-Private Partnership Has Made Dramatic Progress

SACRAMENTO

Celebrating Earth Day, Gov. Gray Davis today applauded the accomplishments of the California Fuel Cell Project and called on the California Air Resources Board and the Partnership members to agree to continue the Partnership for four more years.

"Four years ago, we created the California Fuel Cell Project," Gov. Davis said. "We've made a lot of progress. But we're not done yet. That's why I call on the California Air Resources Board and the Partnership members to agree to continue the Partnership for four more years."

Created four years ago, the California Fuel Cell Project is a partnership between major carmakers, energy companies, technology companies, and government agencies. Its goal is to demonstrate that fuel cell vehicles are a safe, practical, clean alternative to conventional combustion-engine vehicles.

"Fuel cell technology proves that here in California - the land of the car - we can have our cake and eat it too," Gov. Davis added. "We can both protect our environment and grow our economy at the same time."

Today, this historic public-private partnership has made dramatic progress. The partnership has:

- Placed more than 20 fuel cell test vehicles on California roads. California will have up to 60 by the end of this
 year (6 of the working fuel cell cars are on display at the Capitol today);
- Developed a 50,000 square foot state-of-the-art testing and demonstration facility in West Sacramento;
- Installed 6 alternative fueling stations (for hydrogen and methanol-fueled cars);
- Conducted hundreds of public outreach and education events to spread awareness of fuel cell technology.

Davis said the Partnership has demonstrated that fuel cell technology can both protect our environment and grow our economy at the same time. "California has always been the proving ground for new technology, Gov. Davis continued. "Now, our proving grounds are our roads and highways."

For more information on the California Fuel Cell Partnership, visit the Web site listed below.

http://www.fuelcellpartnership.org/

PR03:184 FOR IMMEDIATE RELEASE 05/02/2003

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GOVERNOR DAVIS ANNOUNCES \$11 MILLION IN BOND FUNDS FOR COASTAL PROTECTION AND PARK IMPROVEMENTS 5/02/2003

Grants for 14 Coastal Counties to Come from Voter-Mandated Props. 12 and 40 Bond Funds; No Impact on State's General Fund

SACRAMENTO

Governor Gray Davis announced more than \$11 million in bond funds for coastal protection and public access projects throughout the California coast. The grants, which have no impact on the state's general fund, will be awarded by the California Coastal Conservancy and will fund projects located in 14 coastal and San Francisco Bay counties from Humboldt to San Diego.

"This funding will support the purchase of more than 1,000 acres of wildlife habitat and park lands. It also will reduce water pollution and improve parks in urban and rural areas," said Governor Davis. "These projects will touch the lives of millions of Californians. They are important elements in the natural legacy we will pass on to our children."

Most of the conservancy's funds are available through propositions 12 and 40, the parks and resources bond acts passed by the state's voters in 2000 and 2002. More than \$8 million will be used by local governments and conservation organizations for acquisitions; a further \$3 million is destined for restoration, improvement and rehabilitation projects.

The California Coastal Conservancy, the first state conservancy established in 1976, uses entrepreneurial techniques to purchase, protect, restore, and enhance coastal resources, and to provide access to the shore. The Conservancy works in partnership with local governments, other public agencies, nonprofit organizations, and private landowners.

Thanks to voters approval of Propositions 12, 13, 40 and now 50, the Coastal Conservancy's ability to protect coastal resources under the Davis Administration has increased dramatically compared to previous years. For example, the \$11 million in grants being announced on today -- the result of single monthly conservancy board meeting -- rivals what the Coastal Conservancy's grants budget was for three years during the 1990s, a decade without any resources bonds, and limited support for coastal protection.

"Our state economy and our citizens' livelihoods are dependent on safe and healthy coastal resources," Davis added. "They are part of California's heritage. We have an obligation to preserve them."

Below is a county-by-county description of the grants:

San Diego County: Improvements to steelhead habitat in San Diego County's San Mateo Creek, the southernmost steelhead stream remaining on the West Coast. Federal and private services valued at \$15,000 will add to the state's \$165,000 contribution to the project.

Orange County: A 45-acre addition to a wildlife habitat area along the shore of Huntington Beach. The degraded wetlands that make up the property will be restored, and become part of a 100-acre remnant of the habitat that once covered this part of the Orange County coast. The conservancy will contribute \$1.2 million and the nonprofit California Earth Corps will provide \$450,000 to the \$1.65 million purchase cost.

Los Angeles County: Restoration of Santa Monica Bay through projects on Malibu and Ballona creeks, on the Redondo Beach bluffs, and at the UCLA Ocean Discovery Center. The conservancy's \$1 million contribution to the projects will be matched by \$1.2 million from federal, local government, and private nonprofit sources.

Ventura County: About 700 acres and two miles of riverfront that will be added to the Santa Clara River Parkway in Ventura County. \$3 million from the Coastal Conservancy will support The Nature Conservancy in its ongoing effort to preserve farmland and protect habitat along the river's lower 20 miles.

Santa Barbara County: A \$98,000 grant to the Land Trust for Santa Barbara County, including up to \$40,000 from the federal government, to prepare a plan to enhance steelhead trout habitat in Arroyo Hondo Creek.

Santa Clara, Santa Cruz Counties: A 198-acre addition to the Bear Creek Redwoods Open Space Preserve in the Santa Cruz Mountains of Santa Clara and Santa Cruz counties. The property contains 100-year-old redwood forests and will become a site for miles of new trails only 20 minutes from downtown San Jose. The estimated \$3.6 million acquisition cost will be equally shared by the conservancy and the Midpeninsula Regional Open Space District.

San Luis Obispo County: Coastal Conservancy funds will support The Nature Conservancy's purchase of a 106-acre forested property in Cambria. The purchase will help protect one of the state's few native Monterey Pine forests, while preserving beautiful views for travelers along Highway 1. The Coastal Conservancy's \$250,000 contribution to the purchase will add to \$750,000 from the state Wildlife Conservation Board and \$125,000 from the Packard Foundation.

Marin County: A 21/2-acre addition to Sausalito's Dunphy Park through the city's purchase of the last undeveloped privately owned waterfront property in the city. The park's size will more than double, and it will become directly connected to a heavily used segment of the San Francisco Bay Trail. The conservancy will grant the city \$2.2 million, and Marin County has arranged for the remaining \$500,000 needed for the \$2.7 million purchase. The city will reimburse the conservancy \$1 million over the next ten years.

San Francisco County: Habitat and trail improvements to San Francisco's Lake Merced, once one of the nation's premier boating and fishing lakes. The funding is aimed at reversing a decades-long decline in the quality of the lake's habitat and recreational values. The conservancy's \$475,000 contribution will be matched by \$360,000 from the city.

Solano County: Construction and operation of the Forrest Deaner Native Botanic Garden in the Benicia State Recreation Area, Solano County. Private funding and services valued at \$30,000 will add to the conservancy's \$60,000 contribution to the project.

Sonoma County: (1) A \$250,000 grant to the Gold Ridge Resource Conservation District to plan and improve salmon and steelhead habitat on agricultural properties in the Salmon Creek watershed. (2) A \$90,000 grant to the Ocean Song Farm and Wilderness Center to conduct a coastal prairie stewardship study for southwest coastal Sonoma County.

Humboldt County: Restoration of coastal dunes and salt marsh at Lanphere Dunes in the Humboldt Bay National Wildlife Refuge near Eureka. The conservancy's \$35,000 contribution will be met with over \$87,000 from the National Fish and Wildlife Foundation, along with services valued at over \$86,000 from several federal, state, and private organizations.

PR03:191 FOR IMMEDIATE RELEASE 05/06/2003

REPORT: DAVIS ADMINISTRATION HAS MOVED SWIFTLY ON PARK, WATER BONDS 5/6/2003

SACRAMENTO

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The Davis Administration has moved swiftly to direct voter-approved bond funds to projects creating parkland, protecting open space, preserving agricultural land, cleaning beaches and improving water supplies, according to a report issued today by the nonpartisan California Environmental Dialogue (CED).

The report, entitled "Propositions 12 and 13: A status report on land conservation and water quality issues" released today in Sacramento by the CED, points out that the Davis Administration already has achieved many of the goals established in the bonds and outlined the multiple benefits achieved to date. The report notes that the Davis Administration has used the bond funds to acquire and protect more than 240,000 acres of natural habitat, and for the clean-up of toxic and bacterial runoff at 38 beaches and bays in 10 of California's coastal counties.

"I am proud of the hard work and dedication of the departments in my administration," Governor Gray Davis said. "In record time they have delivered on the promise of these two bond measures, protecting California's magnificent resources and preserving a natural legacy to hand on to our children."

The CED, composed of leaders from California businesses, environmental organizations and governments, concluded that the "vast majority" of the \$4.1 billion in bond funds from Propositions 12 and 13 -measures strongly supported by the Governor - have been obligated or are in the process of being spent on scores of projects around California. CED's status report on the bond measures said the Davis Administration, through the use of the bond funds, has made "significant progress" in addressing the state's future land conservation needs.

"CED understands that thanks to these two bonds we all have cleaner water to drink, cleaner beaches to swim in and more parks and parkland to play in," Gov. Davis said. "Propositions 12 and 13 have gone a long way toward helping preserve our quality of life. I look forward to working closely with the Legislature to accomplish even more in the coming months to protect the environment and preserve California's natural legacy."

At the time they were approved by voters in 2000, Propositions 12 and 13 were the two largest parks and resources in the nation's history. They were also the first resources bonds approved in California in 12 years, during which time California's population had grown dramatically, along with the need to protect its resources and improve its water supplies.

The report praised the fact that 70 percent of Prop. 13 clean water programs have been allocated "to promote sanitary handling of wastewater, cleaner beaches, less polluted runoff from streets and businesses, treatment of wastewater for reuse, and groundwater protection against intruding seawater."

The report detailed how Prop. 13 has paid for the clean-up of toxic and bacterial runoff at 38 beaches and bays in 10 of California's coastal counties, and emphasized how Prop. 13 funding was used to improve and restore watersheds, flood control and groundwater storage projects, while increasing protections for fish and other wildlife.

The report noted that 90 percent of the \$800 million in Prop. 12 allocated for parks has been obligated for projects throughout the state or allocated to local governments for locally-determined park improvements. "Proposition 12 has placed an unprecedented emphasis on both geographical and social equity," the report said. That goal was a priority with the Davis Administration, which established new approaches and outreach efforts to develop guidelines for grants that addressed community concerns directly.

Under the Governor's Urban Parks initiative, some 8,000 acres of parkland were acquired in, or in close proximity to, urban areas - including the creation of the first State Parks in downtown Los Angeles.

By dividing the benefits of the two propositions into regions, the report also detailed how the benefits of the two measures have been spread throughout the state, from preserving redwoods and watersheds along the North Coast to acquisitions to link state parks in the San Diego County and the southern deserts. The report also noted that important farmland has been preserved through purchase of conservation easements, addressing the need to preserve California's working landscapes.

"CED has done an exemplary job of telling the story of these two bonds, and the many benefits they offer to protect California's resources and improve the settings, environment and landscape that we all live in," said Mary Nichols, Secretary for Resources.

The Resources Agency, which she heads, oversaw the expenditure of the majority of the bond funds, including unprecedented efforts by the State Department of Parks and Recreation which is implementing all the local and population-based grants.

"Through propositions 12 and 13 Californians have enabled us to protect a resource we all value: California's unique beaches," said Winston Hickox, Secretary of Cal/EPA.

The Governor's Clean Beaches Initiative was specifically designed to protect and restore heavily used beach areas that have sometimes been closed by pollution. "Today's report describes some of the benefits of 37 projects that will improve seawater and keep beach users safe," added Secretary Hickox. "By the end of this summer nearly half of the projects will be complete. The others are well under way."

Fundamental to the success of the bonds was the full involvement of many other local agencies and non-profit organizations. "CED has done a remarkable job in describing how the money from these Propositions promoted the investment of funds from the private sector, and the involvement of countless local and statewide conservation, preservation and community groups. Working together, we showed we could make significant improvements in protecting our resources and landscapes, and improving our parks," said Secretary Nichols.

The report noted that Propositions 12 and 13 were soon followed by two larger bonds, Propositions 40 and 50, passed in 2002, which together will furnish \$6 billion for continued investments in water, parks, open space and habitat.

PR03:230 FOR IMMEDIATE RELEASE 06/04/2003

GOVERNOR DAVIS MAKES STATEMENT ON MTBE CASE 6/4/2003

Ninth Circuit Court of Appeals Ruling Upholds California's Ban on Fuel Additive MTBE

SACRAMENTO

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Governor Gray Davis today made the following statement on the 9th Circuit Court of Appeals decision upholding California's ban on MTBE:

"This is a clear win for Californians, for clean water in California and for the right of this state to protect the environment we value so highly. The Appeals Court has rightly concluded that the Air Resources Board and I were well within our rights declaring MTBE an environmental hazard and banning it.

"I am proud that California yet again is leading the nation with important protections for our citizens. Washington's entire history of forcing unneeded oxygenates (MTBE and ethanol) on the states has been one of mistakes, miscalculations and self-interest.

"In 1999 I acted on the best scientific advice to ban MTBE because it is polluting underground water in some parts of California. We have been able to limit the damage. The cleanup is possible and practical.

"California has been hampered by Washington's insistence that we continue to add oxygenate to our gas... even though it is not necessary to fight smog. By the end of this year MTBE will be history in California.

"This case, brought by MTBE makers is just one case of industries, or those beholden to industries, trying to short-circuit the state's ability to protect public health and the environment. The trial court and Appeals Court have spoken decisively, the MTBE industry should accept the courts' judgments and move on."

The case is Oxygenated Fuels Association Incorporated v. Governor Gray Davis, CARB Chairman Alan C. Lloyd.

PR03:314 FOR IMMEDIATE RELEASE 07/17/2003

GOVERNOR DAVIS STATEMENT REGARDING FEDERAL COURT'S MTBE RULING 07/17/2003

Gov. Davis Says Ruling Is a "Clear Win for Motorists and Citizens of California"

SACRAMENTO

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Governor Gray Davis today made the following statement regarding the US Ninth Circuit Court of Appeals decision that the US EPA "abused its discretion" in denying California's request for a fuel oxygenate waiver:

"The Federal Court decision is absolutely correct and a clear win for the motorists and citizens of California. It also tells the US EPA that my administration has been right for the past four years, as we have moved to protect our air and water while minimizing the risk of gasoline price spikes.

"It is my hope that the EPA will take a hard look at this court decision, realize they were wrong and give California what it needs: the ability to make gasoline with or without oxygenates as conditions warrant.

"I have said from the start, we are going to protect our air and water. We had to ban MTBE because of water pollution. We want our refiners to have maximum flexibility in what they put into gasoline as long as they produce the cleanest burning gas in the world.

"If Californians are tired of paying high gasoline prices, requiring every gallon of gas to contain an oxygenate will only serve to drive prices higher without delivering any additional air quality benefit.

"To our friends in the Midwest I want to say, California is not anti-ethanol. However, it does not make sense for Washington to dictate that it be used in every single gallon of gas.

"I hope that the US EPA will now give California permission to blend clean gas without oxygenates and that we can move forward and work cooperatively to solve other environmental challenges."

PR03:390 FOR IMMEDIATE RELEASE 08/29/2003

GOVERNOR DAVIS ANNOUNCES TRANSFER OF ANTI-POLLUTION EQUIPMENT TO CLEAN UP WATER IN BORDER REGION

SACRAMENTO

Governor Gray Davis today announced the ownership transfer of wastewater testing equipment to Baja California. Baja environmental officials will use the donated equipment to ensure that industrial wastewater meets Mexican environmental standards.

"California and Mexico have a common goal: to maintain our beautiful environment," said Gov. Davis. "Both California and Mexican authorities are working cooperatively to improve our water standards. We've set a bar that must be met to protect our residents as well as our environment. The sharing of technology will only strengthen that commitment to meeting those necessary regulations."

Pollution does not respect national boundaries and, under the 2001 agreements, both smog and water pollution are being tackled.

Mexican authorities have used previously donated equipment and technical assistance provided by California to assist in Baja California's regulatory efforts. Baja California's efforts have led to fines and/or temporarily closing half of a dozen industrial operations until their wastewater was pre-treated to meet local standards. The pre-treatment removes industrial pollutants that normal municipal wastewater plants cannot treat.

Agencies that have partnered in this effort include the Baja California Dirección General de Ecologia (DGE) and the Comision Estatal de Agua (CEA) and the State Commissions for Public Services of Tijuana, Tecate, Mexicali and Ensenada.

Cal/EPA, the State Water Resources Control Board, the San Diego Regional Water Quality Control Board and the City of San Diego have contributed technical services and training related to sampling strategies, laboratory analyses and equipment. The City of San Diego has assisted Baja California cities with their industrial wastewater programs. And California State University, Sacramento has worked with binational technical teams in Tijuana to adapt its nationally recognized industrial wastewater worker training manuals and videos for use in Baja California and throughout Mexico.

The \$350,000 worth of sampling, analytical and laboratory equipment is highly specialized and includes a gas chromatograph, an atomic absorption spectrophotometer, dissolved oxygen meters, explosimeters and autosamplers. They were transferred in a Tijuana ceremony hosted entirely by Mexican authorities.

PR03:389 FOR IMMEDIATE RELEASE 08/28/2003

GOVERNOR DAVIS VOWS TO FIGHT BUSH ADMINISTRATION'S PLAN TO WEAKEN AIR QUALITY STANDARDS 08/28/2003

Governor Announces Support for Bill to Keep Clean Air Protection

SACRAMENTO

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Governor Gray Davis today said California must protect itself from a misguided attempt by the Bush Administration to weaken clean air protection.

"As we speak, the Bush Administration is threatening to impose Texas style environmental standards on California," said Governor Davis. "The White House plans to 'aid and abet' industrial polluters by relaxing Federal Clean Air Act standards. I will fight these policies and do everything in my power to protect public health and preserve our environment."

New Source Review (NSR) rules, which derive from the Federal Clean Air Act, require power plants and other facilities to install the best pollution control equipment when they are rebuilt or there are major modifications. The new Federal EPA rules allow facilities to escape the NSR controls when retrofitting and upgrading existing facilities rather than constructing new ones. For example, under current NSR rules in California, a plant that replaces an old combustion turbine with a new one would be held to state-of-the-art emission controls. However, under the new Federal EPA's rules, the turbine replacement could be exempt.

Therefore as many as 1800 California facilities that are major sources of air pollution, such as refineries, power plants and other industrial facilities-could escape state-of-the-art air pollution controls necessary to protect public health.

The state protection is particularly important because of California's hot climate and sometimes-stagnant air basins. These trap and build up air pollution that can cause asthma, bronchitis and pneumonia.

Governor Davis announced today his support for SB 288 (Sher-D), the Clean Air Protection Act, which would mandate that upgraded facilities in California comply with the stronger emission standards in NSR programs. These programs would ensure that emission controls are installed at the most cost-effective time in the construction or major modification of a facility.

Governor Davis said, "The best protection is a bill that puts into statute the protections that the US EPA is abandoning." The Governor announced that he would sign SB 288 when it reaches his desk.

"Every great progressive movement has a great leader. When it comes to protecting the environment, that leader is California," Governor Davis continued. "When Washington refuses to lead, California must. This is a case of Washington leading us backwards, and California refusing to follow."

PR03:384 FOR IMMEDIATE RELEASE 08/26/2003

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GOVERNOR DAVIS ANNOUNCES \$29.2 MILLION IN GRANTS TO ADDRESS FLOOD CONTROL AND PROTECT CALIFORNIA'S ENVIRONMENT 08/26/2003

14 Projects Awarded in 12 Counties

SACRAMENTO

Governor Gray Davis today announced \$29.2 million in grants to protect California's environment by addressing flood control and ecosystem restoration in 12 counties statewide.

The Department of Water Resources (DWR) Flood Protection Corridor Program will oversee the administration of the grants. The awards are funded from Proposition 13 voter-approved bond funds to local government agencies and non-profit organizations. None of the funds come from the State's General Fund.

"From small creeks to major rivers, these projects help protect California's farming, recreation and wildlife in flood-prone areas," Gov. Davis said. "I commend the Department of Water Resources Flood Protection Corridor Program for its commitment to California's environmental tradition and to working closely with local groups and governments. The projects fulfill the promise of the 2000 Water Bond. They will contribute to increased flood safety while also providing economic benefits for many local communities."

The Water Bond 2000 (Proposition 13) funding continues an ongoing commitment by the Davis Administration to protect farmland and rangeland, and keep these working landscapes in production throughout the State. Implementation of the 14 projects will result in wildlife habitat improvement on 2,877 acres, conservation of 2,548 acres of wildlife habitat not currently protected, and conservation easements to keep 985 acres of agricultural land permanently in production.

Funded projects will also improve facilities at public recreational areas, such as the Riverside County Murrieta Creek recreation project and San Diego River Park. Much of the funding has been awarded for restoration of the natural environment, including the Orange County Aliso Creek Mainstream Riparian Restoration. Flood control and protection projects are included, such as Santa Clara and San Benito Counties' Upper Pajaro River Floodplain Protection, which also includes the Nature Conservancy.

"The current \$29.2 million in bond funds authorized by voters through Proposition 13 will be passed along to local government agencies and non-profit organizations over a three-year period. Since 1999, the Davis Administration has provided a total of \$208.3 million through DWR to fund flood protection, ecosystem restoration and related preservation of agricultural land."

Fact Sheet: County, sponsoring organization, grant:

- Shasta County, Clover Creek Preserve, City of Redding, \$2,700,000.
- Tehama County, Floodplain Reconnection and Restoration on La Barranca and Blackberry Island, River Partners, \$1,220,000.
- Lake County, Middle Creek, \$5,214,000.
- Napa County, Napa River/Napa Creek Flood Protection Project, Napa County Flood Control and Water Conservation District. \$500,000.
- Sacramento County, Lower Dry Creek/Parkway Reach, Sacramento Area Flood Control Agency, \$1,482,743.
- Placer County, Dry Creek/Miner's Ravine, \$933,612.
- Placer County, Lakeview Farms Conservation Project, \$325,000.
- Stanislaus County, Vierra Unit Restoration, River Partners, \$1,755,542.
- Santa Clara and San Benito Counties, Upper Pajaro River Floodplain Protection, The Nature Conservancy, \$3,271,000.

- Orange County, Aliso Creek Mainstem Riparian Restoration and Flood Protection Project, \$1,000,000.
- Riverside County, Bedford and Temescal Washes, Riverside-Corona Resource Conservation District, \$2,500,000.
- Riverside County; Murrieta Creek Flood Control, Environmental Restoration, and Recreation Project; Riverside County Flood Control and Water Conservation District; \$1,500,000.
- San Diego County; Flood Control, Habitat Restoration and Recharge on the San Diego River; San Diego River Park Lakeside Conservancy and Riverview Water District; \$4,139,040.
- San Diego County, Santa Maria Creek Flood Protection Corridor, The Nature Conservancy, \$2,600,000.

More information about the DWR Flood Protection Corridor Program and a listing of the agencies and projects on the priority list to receive grants may be obtained through the DWR Division of Flood Management web site below.

http://www.dfm.water.ca.gov/fpcp/



GOVERNOR DAVIS ANNOUNCES \$53 MILLION IN GRANTS TO PROTECT CALIFORNIA'S ENVIRONMENT 08/20/2003

State Coastal Conservancy and Wildlife Conservation Board approves awards

SACRAMENTO

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Governor Gray Davis today announced the awarding of \$53 million in grants to protect California's environment. The State Coastal Conservancy and the Wildlife Conservation Board (WCB) will oversee the administration of the grants.

"We Californians know that safeguarding our environment is good for our health, good for our spirits and good for our economy," said Governor Davis. "These \$53 million in grants will protect access to the beach, open spaces and coastal properties. This critical funding is in addition to the \$21 million already allocated for the Clean Beaches Initiative, and the \$46 million in the pipeline to keep beach water safe for Californians and tourists."

The \$33 million in grants from the WCB include a variety of acquisition and restoration projects, along with \$19.2 million for a new program that will be issued to help landowners, conservation organizations, counties and cities save California's open rangelands.

The \$20 million in grants from the State Coastal Conservancy will be used to protect and improve coastal wildlife habitats and farmland, improve shoreline and beach access, and revive the economies of coastal communities. None of the funds come from the State's General Fund.

The grants do not come from the State's General fund, but from bond acts (Propositions 12, 40 and 50) approved by the state's voters in the last three years. The remaining non-bond sources include the California License Plate Fund, and the Habitat Conservation Fund. The Governor's Clean Beaches Initiative has been funded entirely by Proposition 13 and future funds will come from the Prop. 40 bonds.

"I commend the Wildlife Conservation Board and the State Coastal Conservancy for its commitment to California's environmental tradition," said Gov. Davis. "The use of these voter approved funds will help to revitalize coastal economies and make our coast more open to residents and visitors. The funds will also permanently protect over 4,400 acres of coastal farmland and wildlife habitat from development," Governor Davis said.

The State Coastal Conservancy grants will be used throughout the coast to make the shoreline more accessible to the public. Funded projects will improve facilities at public beaches and add to the California Coastal Trail and the San Francisco Bay Trail. The grants also include the one-of-a-kind program called "Coast Alive" which will train 2,000 teachers and teach over 100,000 children the importance of conservation, including engaging them in actual beach and coastal restoration activities.

Two of the conservancy's grants are directly aimed at improving the waterfront economies of North Coast cities hard-hit by economic downturns -- a grant to Fort Bragg will help the community plan for re-use of the former Georgia-Pacific mill site, and Crescent City will use awarded funds to plan for revitalization of its harbor. The conservancy also approved grants to protect farmland in several coastal areas and assist farmers in land and water management.

Much of the conservancy's funding will be directed toward restoration of the natural environment, including wetlands, streams, and woodlands. Particularly targeted is spawning habitat for salmon and steelhead trout.

Under guidelines announced at WCB's meeting on August 13, 2003, the new program (established by the Rangeland, Grazing Land and Grassland Protection Act of 2002) will use conservation easements to guard the long-term sustainability of livestock grazing, prevent the conversion of rangeland, grazing land and grasslands to nonagricultural uses, and ensure continued wildlife, water quality, watershed and open-space benefits to the state from livestock grazing. This funding

continues an ongoing commitment by the Davis administration to protect farmland and rangeland and keep these working landscapes in production throughout the State.

Please see attached fact sheet.

Fact Sheet on the Wildlife Conservation Board Grants for the State's Rangelands

Rangelands provide critical environmental values to numerous species of wildlife and plant communities. Moreover, these areas provide the economic foundation for many rural towns and communities across the state. Currently, there are approximately 22 million acres of privately owned rangeland, grazing and grasslands remaining in California. California's population could increase from 35 million to more than 50 million people by 2004, according to the Department of Finance. Faced with projected population increases, associated urban expansion and the continual increase in the number and size of rural homes, California is at risk of losing a matchless resource that provides economic, ecological and cultural benefits to the people of the state.

With respect to the Wildlife Conservation Board grants, The Rangeland, Grazing Land and Grassland Protection Act of 2002 specifies that the money used through the program can only be available for the purchase of conservation easements. Further, recognizing resource similarities and values between rangeland, grazing land and oak woodlands, the Act allows for the coordination of the program with the newly enacted Oak Woodlands Conservation Act. The funds and the program are all administered through the California Wildlife Conservation Board (WCB).

In other action recently, the Board approved more than \$14 million for projects in 11 California counties that will further the protection of the state's native natural resources, restore riparian and coastal habitat and provide access to the state's waters. Two notable grants are:

- Riverside County: a \$5 million grant to the Riverside Land Conservancy that will assist in the
 purchase of 357 acres in the San Timoteo Canyon region of Riverside County. With the
 purchase, the first of three sections will help provide a wildlife corridor between the San Gorgonio
 Mountain foothills and lower alluvial plains. The region includes sage scrub, chaparral, riparian,
 wetlands and coast live oak woodlands, which provide nests for numerous raptors and a variety
 of different owl species.
- San Diego County: The Board approved a \$1.8 million grant in San Diego County for a
 cooperative habitat restoration project in Goat Canyon. The grant comes through 2002's
 Proposition 50 (the Water Security, Clean Drinking Water, Coast and Beach Protection Act). Part
 of the larger Border Field State Park within the Tijuana River Nation Estuarine Research Reserve,
 Goat Canyon's flooding has degraded marsh and streamside habitats through erosion and
 sedimentation. Primarily, the project will construct a pair of sediment retention basins.

Other grants include:

- Riverside County: 45±acre Coachella Valley Ecological Reserve, \$450,000.
- LA County: Habitat Restoration, White Point Nature Preserve \$170,000.
- Del Norte County: 20± acres Lake Earl Wildlife Area, \$28,000.
- Sacramento County: City of Isleton Public Access Augmentation, \$308,135.
- Placer County: Riparian Habitat Restoration, Polaris Creek, \$25,000.

- San Luis Obispo County: 32± acre Los Osos Dunes/Wetlands, \$916,000.
- Mendocino County: Garcia River (Stornetta Ranch), \$3,700,000.
- San Mateo County: Oyster Point Fishing Pier Improvements, \$99,270.
- Sutter County: Riparian Habitat Restoration, Feather River Wildlife, \$1,307,000.
- Shasta County: Fall River Valley (310± acres Noel Ranch), Shasta County \$174,000.

One of the Board's primary responsibilities is the selection, authorization, and allocation of funds for the purchase of land and waters suitable for preservation, protection and restoration of wildlife habitat. The Board also acquires lands for recreational purposes such as piers for fishing access, boat ramps, and wildlife areas for hunting access.

Fact Sheet on the State Coastal Conservancy Grants

Grants and other expenditures approved by the Coastal Conservancy include:

- San Diego County: A total of \$447,000 to improve wildlife habitat and public access in the Tijuana River Valley, along Rose Creek in the City of San Diego, and at San Elijo Lagoon.
- Orange County: A \$160,000 grant to improve facilities at Aliso Beach.
- LA County: A \$180,000 grant to remove invasive plants in lower Topanga Canyon.
- Ventura County: \$600,000 to improve wetlands at Ormond Beach.
- South Coast Counties: A \$250,000 grant for development of the Coast Alive! education program for San Diego, Orange, and Los Angeles counties.
- Santa Barbara County: A total of \$1.65 million in grants for environmental restoration at the Carpinteria Salt Marsh and the UC-Santa Barbara Campus Lagoon Natural Area.
- San Luis Obispo County: A \$1.5 million grant to acquire a conservation easement on the 1,860-acre John Maino Ranch.
- Monterey County: A \$273,000 grant to acquire 183 acres near Moro Cojo Slough.
- Santa Cruz County: A total of \$550,000 in grants to reconstruct the 26th Avenue beach stairway and for the marine education center of the O'Neill Sea Odyssey.
- San Mateo County: Over \$12 million in grants for acquisitions of the Driscoll and Bolsa Point
 ranches, environmental restoration of San Pedro Creek, and to assist farmers with construction of
 irrigation ponds.
- San Francisco: A \$750,000 grant for improvements to the south windmill in Golden Gate Park, and approval for funding for the Mission Creek Bikeway on the SF Bay Trail.
- Marin County: A \$585,000 grant to acquire a conservation easement on the 870-acre Grossi Ranch.
- Sonoma County: A total of \$210,000 in grants to improve salmon and steelhead habitat and improve fish passage at the Mumford Dam on the Russian River, and to prepare a grazing management plan for coastal grasslands.
- San Francisco Bay Area: A total of \$665,000 for 14 environmental restoration and education projects in eight Bay Area counties.
- Mendocino County: A total of \$242,000 in grants to plan for the re-use of the former Georgia-Pacific mill site in Fort Bragg, develop the Gualala Blufftop Trail, and prepare a management plan for new California State Parks property along Big River.
- Humboldt County: A \$215,000 grant for environmental restoration of the Salt River.
- Del Norte County: A \$218,000 grant for revitalization of the Crescent City Harbor.

- North Coast Counties: A \$400,000 grant to remove barriers to salmon and steelhead trout passage in Mendocino, Humboldt, Del Norte, and Trinity counties.
- Statewide: A \$275,000 grant for design of a program to monitor ocean currents.

The Coastal Conservancy is a state agency that works with the people of California to protect and improve the coast and San Francisco Bay. The conservancy has helped open over 80 miles of coast and bay shores to the public and preserve over 100,000 acres of wetlands, wildlife habitat, parks, and farmland.

PR03:359 FOR IMMEDIATE RELEASE 08/12/2003

GOVERNOR DAVIS ISSUES STATEMENT ON THE DROPPING OF LAWSUITS REGARDING 2001 ZEV REGULATIONS 08/12/2003

SACRAMENTO

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Governor Gray Davis today issued the following statement on the dropping of lawsuits filed against California to block the state's zero-emission-vehicle mandate:

"The best interests of California are served by dropping these lawsuits. We are putting them behind us and concentrating on the tasks at hand: cleaning up California's air and developing the next generation of vehicles.

"We Californians cherish our environment and we love our mobility. America's love affair with the car was perfected here and we don't intend to give up our wheels, but we need cleaner vehicles. Our Air Resources Board's efforts have led to innovative designs such as today's hybrids and tomorrow's fuel cell vehicles. The ARB will keep pushing the envelope and both motorists and carmakers will benefit.

"It is truly unfortunate that the federal administration joined this lawsuit against the people of California. The automakers were perfectly capable of making their own legal arguments and Washington's position undercuts its arguments about the need for local decision-making.

"I am proud that California continues to be in the lead protecting our citizen's health by protecting our environment. With more people, more vehicles and more miles being driven, there is still much to be done and I intend to make sure it."

L03:078 FOR IMMEDIATE RELEASE 08/09/2003

GOVERNOR DAVIS SIGNS FIRST-IN-NATION BAN ON HARMFUL CHEMICALS AFFECTING CALIFORNIANS 08/09/2003

Landmark Legislation Protects Health of Nursing Mothers; Bans Harmful Flame Retardants

SACRAMENTO

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Governor Gray Davis, joined by Assembly Majority Leader Wilma Chan (D-Oakland), health advocates, nursing mothers and numerous environmental leaders, today signed landmark legislation protecting both the environment and public health. Assembly Bill 302 (Chan) prohibits the use, sale and manufacturing of certain highly hazardous forms of PBDEs (polybrominated diphenyl ethers) in California. The new law is the first of its kind in the nation.

"Once again, California is at the forefront of progressive legislation," said Gov. Davis at the Venice Family Clinic today. "This bill protects California's most vulnerable residents: nursing infants and mothers. Health risks for all Californians will be reduced. Our air, rivers and ocean will be cleaner. Our quality of life will be better."

The Governor also thanked Assemblywoman Chan, who, along with California's Environmental Protection Agency (Cal/EPA), shepherded her bill through the State Senate last month. The bill had no opposition when passed by the State Legislature.

"This puts us on the cutting edge in providing protection for our children's health," said Chan at the signing ceremony. "I hope that other states will follow our example."

PBDEs, a form of flame retardant, have been used in a variety of products including housings for computers and electronics; seat cushions; upholstery; office dividers; autos and many others. Two forms, PentaBDE and OctaBDE have been shown to accumulate alarmingly in animal and human tissue and in mother's milk. Cal/EPA scientists have found the world's highest levels of PBDEs in North American women, including women from California according to published research.

"Today's action underscores my firm commitment to environmental protection," added Gov. Davis. "Legislation signed under my administration will once again pay off for this state and for other Americans as well."

In anticipation of the state's ban, some manufacturers will likely eliminate PBDE use. Already, several U.S. chemical makers and product manufacturers have voluntarily stopped making or using the two forms of PBDEs to be banned and action similar to California's has been taken by the European Union.

The ban, which will take effect January 1, 2008, gives manufacturers an adjustment period to modify processes and secure replacement chemicals.



GOVERNOR DAVIS URGES U.S. E.P.A. TO GRANT WAIVER TO KEEP GASOLINE CLEAN, AFFORDABLE AND PLENTIFUL 08/06/2003

SACRAMENTO

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In a letter to the U.S. Environmental Protection Agency (EPA) today, Governor Gray Davis renewed his demand that the EPA drop its requirement that chemicals be added to gasoline.

"California doesn't take a back-seat to anyone in our requirements that gas burn cleanly," said Gov. Davis. "We pioneered the fight against smog. The federal government should know there's simply no reason to add extra chemicals to gasoline when they don't make the gas burn cleaner."

The Governor's letter follows California's legal victory over the EPA in a closely watched court case. The court ruled that the EPA must reconsider the Governor's request to drop the oxygenate requirement for California. The EPA turned down California's request two years ago and Gov. Davis went to court to overturn their decision (Davis v. US EPA, 9th Circuit Court of Appeals #01-71356.).

"A lot of people thought we didn't stand a chance, but California proved its case and the court ordered the EPA to reconsider," added Gov. Davis. "Now it's time for the EPA to reconsider and drop the oxygenate requirement."

Federal law provides that the EPA can waive the "oxygenate mandate" when that serves the purpose of fighting smog. Both evidence presented by the state and the EPA's own Blue Ribbon Panel on Oxygenates in Gasoline have shown that oxygenates are not needed in California's cleaner burning gasolines. The oxygenates most commonly used in gas are MTBE and ethanol.

In the letter Gov. Davis wrote, "Application of the Federal Minimum Oxygen Requirement serves absolutely no purpose in California relative to its intended air emission reduction rationale. California needs the ability to make gasoline with or without oxygenate as conditions warrant. Our refiners need the flexibility to ensure cleaner air, ground, and surface water, while providing affordable and available gasoline for California's consumers."

The Secretary of the California Environmental Protection Agency (Cal/EPA) Winston Hickox praised Governor Davis's action and said, "The Washington administration has to opportunity to prove that there is substance to its rhetoric about the states' power to make decisions. This is an occasion when the federal government can benefit the environment, motorists and industry. It's an opportunity for them to rise above regionalism." Under the court decision in Davis v. US EPA, the next step is up to the EPA.

(Text of letter below)

August 6, 2003

The Honorable Marianne Lamont Horinko Acting Administrator U.S. Environmental Protection Agency Ariel Rios Building 1200 Pennsylvania Avenue, N.W. Washington, DC 20460

Dear Administrator Horinko:

In view of the recent decision (01-71356) by the U.S. Ninth Circuit Court of Appeals on oxygenate, I am writing to reiterate my April 12, 1999, request that the U.S. Environmental Protection Agency (U.S. EPA) act expeditiously in granting California a waiver of the Federal Minimum Oxygen Requirement in gasoline.

Numerous studies by government agencies, automotive companies, fuels industry experts and the U.S. EPA's own Blue Ribbon Panel have shown that a minimum oxygen content is not essential to making reformulated gasoline that meets all emission reduction requirements. California regulations accomplish the needed motor vehicle emission reductions without requiring a minimum level of oxygen. During my administration, the California Air Resources Board has moved from cleaner burning Phase 2 to the exceptionally clean Phase 3 Reformulated Gasoline that will be the state standard starting next year. With cleaner vehicles and gasoline, the average new car emits only 2% as many pollutants as a similar car 20 years ago.

Application of the Federal Minimum Oxygen Requirement serves absolutely no purpose in California relative to its intended air emission reduction rationale. California needs the ability to make gasoline with or without oxygenate as conditions warrant. Our refiners need the flexibility to ensure cleaner air, ground, and surface water, while providing affordable and available gasoline for California's consumers. The continued oxygenate mandate in California subjects the state's motorists to unnecessary risks of supply and price volatility.

Thank you for understanding the urgency of this request. Prompt action by U.S. EPA to approve our waiver request is important to California economically and environmentally.

As always, California is ready to work with U.S. EPA to ensure the protection of public health and the environment.

Sincerely,

GRAY DAVIS

cc: Winston H. Hickox, Secretary, California Environmental Protection Agency

PR03:414 FOR IMMEDIATE RELEASE 09/11/2003

GOVERNOR DAVIS ISSUES STATEMENT ON WATER LEGISLATION PASSED BY STATE SENATE 09/11/2003

SACRAMENTO

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Governor Gray Davis today issued the following statement on the State Senate's passage of three pieces of significant water legislation:

"The three water bills passed by the State Senate today represent a historic shift in water policy in California. When I called the parties back to the table in January, I asked them to put aside their parochial interests for the good of all Californians."

"This legislation, along with the Quantification Settlement Agreement, encourages conservation, brings market based agriculture to urban water transfers, begins the restoration of the Salton Sea, and ends decades of confrontation and replaces it with unprecedented cooperation."

PR03:351 FOR IMMEDIATE RELEASE 08/06/2003

GOVERNOR DAVIS URGES U.S. E.P.A. TO GRANT WAIVER TO KEEP GASOLINE CLEAN, AFFORDABLE AND PLENTIFUL 08/06/2003

SACRAMENTO

In a letter to the U.S. Environmental Protection Agency (EPA) today, Governor Gray Davis renewed his demand that the EPA drop its requirement that chemicals be added to gasoline.

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The Governor's letter follows California's legal victory over the EPA in a closely watched court case. The court ruled that the EPA must reconsider the Governor's request to drop the oxygenate requirement for California. The EPA turned down California's request two years ago and Gov. Davis went to court to overturn their decision (Davis v. US EPA, 9th Circuit Court of Appeals #01-71356.).

"A lot of people thought we didn't stand a chance, but California proved its case and the court ordered the EPA to reconsider," added Gov. Davis. "Now it's time for the EPA to reconsider and drop the oxygenate requirement."

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The Secretary of the California Environmental Protection Agency (Cal/EPA) Winston Hickox praised Governor Davis's action and said, "The Washington administration has to opportunity to prove that there is substance to its rhetoric about the states' power to make decisions. This is an occasion when the federal government can benefit the environment, motorists and industry. It's an opportunity for them to rise above regionalism." Under the court decision in Davis v. US EPA, the next step is up to the EPA.

PR03:390 FOR IMMEDIATE RELEASE 08/29/2003

GOVERNOR DAVIS ANNOUNCES TRANSFER OF ANTI-POLLUTION EQUIPMENT TO CLEAN UP WATER IN BORDER REGION

SACRAMENTO

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Governor Gray Davis today announced the ownership transfer of wastewater testing equipment to Baja California. Baja environmental officials will use the donated equipment to ensure that industrial wastewater meets Mexican environmental standards.

"California and Mexico have a common goal: to maintain our beautiful environment," said Gov. Davis. "Both California and Mexican authorities are working cooperatively to improve our water standards. We've set a bar that must be met to protect our residents as well as our environment. The sharing of technology will only strengthen that commitment to meeting those necessary regulations."

Pollution does not respect national boundaries and, under the 2001 agreements, both smog and water pollution are being tackled.

Mexican authorities have used previously donated equipment and technical assistance provided by California to assist in Baja California's regulatory efforts. Baja California's efforts have led to fines and/or temporarily closing half of a dozen industrial operations until their wastewater was pre-treated to meet local standards. The pre-treatment removes industrial pollutants that normal municipal wastewater plants cannot treat.

Agencies that have partnered in this effort include the Baja California Dirección General de Ecologia (DGE) and the Comision Estatal de Agua (CEA) and the State Commissions for Public Services of Tijuana, Tecate, Mexicali and Ensenada.

Cal/EPA, the State Water Resources Control Board, the San Diego Regional Water Quality Control Board and the City of San Diego have contributed technical services and training related to sampling strategies, laboratory analyses and equipment. The City of San Diego has assisted Baja California cities with their industrial wastewater programs. And California State University, Sacramento has worked with binational technical teams in Tijuana to adapt its nationally recognized industrial wastewater worker training manuals and videos for use in Baja California and throughout Mexico.

The \$350,000 worth of sampling, analytical and laboratory equipment is highly specialized and includes a gas chromatograph, an atomic absorption spectrophotometer, dissolved oxygen meters, explosimeters and autosamplers. They were transferred in a Tijuana ceremony hosted entirely by Mexican authorities.

PR03:389 FOR IMMEDIATE RELEASE 08/28/2003

GOVERNOR DAVIS VOWS TO FIGHT BUSH ADMINISTRATION'S PLAN TO WEAKEN AIR QUALITY STANDARDS 08/28/2003

Governor Announces Support for Bill to Keep Clean Air Protection

SACRAMENTO

Governor Gray Davis today said California must protect itself from a misguided attempt by the Bush Administration to weaken clean air protection.

"As we speak, the Bush Administration is threatening to impose Texas style environmental standards on California," said Governor Davis. "The White House plans to 'aid and abet' industrial polluters by relaxing Federal Clean Air Act standards. I will fight these policies and do everything in my power to protect public health and preserve our environment."

New Source Review (NSR) rules, which derive from the Federal Clean Air Act, require power plants and other facilities to install the best pollution control equipment when they are rebuilt or there are major modifications. The new Federal EPA rules allow facilities to escape the NSR controls when retrofitting and upgrading existing facilities rather than constructing new ones. For example, under current NSR rules in California, a plant that replaces an old combustion turbine with a new one would be held to state-of-the-art emission controls. However, under the new Federal EPA's rules, the turbine replacement could be exempt.

Therefore as many as 1800 California facilities that are major sources of air pollution, such as refineries, power plants and other industrial facilities-could escape state-of-the-art air pollution controls necessary to protect public health.

The state protection is particularly important because of California's hot climate and sometimes-stagnant air basins. These trap and build up air pollution that can cause asthma, bronchitis and pneumonia.

Governor Davis announced today his support for SB 288 (Sher-D), the Clean Air Protection Act, which would mandate that upgraded facilities in California comply with the stronger emission standards in NSR programs. These programs would ensure that emission controls are installed at the most cost-effective time in the construction or major modification of a facility.

Governor Davis said, "The best protection is a bill that puts into statute the protections that the US EPA is abandoning." The Governor announced that he would sign SB 288 when it reaches his desk.

"Every great progressive movement has a great leader. When it comes to protecting the environment, that leader is California," Governor Davis continued. "When Washington refuses to lead, California must. This is a case of Washington leading us backwards, and California refusing to follow."

PR03:357 FOR IMMEDIATE RELEASE 08/12/2003

GOVERNOR DAVIS CALLS ON FEDERAL GOVERNMENT TO KEEP CALIFORNIA GASOLINE CLEAN, PRICES LOW 08/12/2003

Reaffirms Need for Ethanol Waiver from U.S. EPA; Insists California Gas is Already Clean

SACRAMENTO

Gov. Gray Davis went to a Los Angeles gas station today to reaffirm his demand that the U.S. Environmental Protection Agency (EPA) release California from its stifling order to add unneeded chemicals to the state's already clean-burning gasoline.

"No state values clean air like California," said Gov. Davis. "We have the toughest clean air standards in America. The only thing ethanol does is drive up the cost of gas. We simply don't need extra chemicals in our gas to keep California's air clean."

The federal government now requires that almost all gasoline in California contain two-percent oxygen in the form of MTBE or ethanol. MTBE is being phased out by December 31 to protect the state's water supply. Ethanol adds to the price of gasoline, particularly in the summer, but the price impact can be particularly alarming if the supply of ethanol is interrupted. Under current federal policy, for every one gallon of ethanol that distributors are lacking, 18 gallons cannot be sold at the pump. The supply and price impacts of ethanol were starkly illustrated for San Diego motorists earlier this year when a refiner's tank trucks drained gas stations of gas that did not contain enough ethanol by federal standards. Ironically, the gas would have burned cleanly, but it did not comply with federal requirements.

The California Energy Commission estimates that ethanol increases the cost of gas significantly per gallon. Tight supplies of ethanol could push the cost even higher.

"I'm asking the U.S. EPA to do what's right," Gov. Davis continued. "Allow California to protect our people, protect our air, protect our pocketbooks. No Californian should have to pay more for a tank of gas because of the federal government's refusal to grant this waiver."

Governor Davis added, "When the U.S. EPA denied California's reasonable request, we went to court. Many people thought we wouldn't win, but California did -- and the Appeals Court ordered the EPA to reconsider its wrongheaded decision. This is the EPA's opportunity to show that its words about respecting state's decisions are more than just rhetoric. I hope that the U.S. EPA will now give California permission to blend clean gas without oxygenate so we can move on and work cooperatively to solve other environmental challenges."

PR03:359 FOR IMMEDIATE RELEASE 08/12/2003

GOVERNOR DAVIS ISSUES STATEMENT ON THE DROPPING OF LAWSUITS REGARDING 2001 ZEV REGULATIONS 08/12/2003

SACRAMENTO

Governor Gray Davis today issued the following statement on the dropping of lawsuits filed against California to block the state's zero-emission-vehicle mandate:

"The best interests of California are served by dropping these lawsuits. We are putting them behind us and concentrating on the tasks at hand: cleaning up California's air and developing the next generation of vehicles.

"We Californians cherish our environment and we love our mobility. America's love affair with the car was perfected here and we don't intend to give up our wheels, but we need cleaner vehicles. Our Air Resources Board's efforts have led to innovative designs such as today's hybrids and tomorrow's fuel cell vehicles. The ARB will keep pushing the envelope and both motorists and carmakers will benefit.

"It is truly unfortunate that the federal administration joined this lawsuit against the people of California. The automakers were perfectly capable of making their own legal arguments and Washington's position undercuts its arguments about the need for local decision-making.

"I am proud that California continues to be in the lead protecting our citizen's health by protecting our environment. With more people, more vehicles and more miles being driven, there is still much to be done and I intend to make sure it."

L03:078 FOR IMMEDIATE RELEASE 08/09/2003

GOVERNOR DAVIS SIGNS FIRST-IN-NATION BAN ON HARMFUL CHEMICALS AFFECTING CALIFORNIANS 08/09/2003

Landmark Legislation Protects Health of Nursing Mothers; Bans Harmful Flame Retardants

SACRAMENTO

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Governor Gray Davis, joined by Assembly Majority Leader Wilma Chan (D-Oakland), health advocates, nursing mothers and numerous environmental leaders, today signed landmark legislation protecting both the environment and public health. Assembly Bill 302 (Chan) prohibits the use, sale and manufacturing of certain highly hazardous forms of PBDEs (polybrominated diphenyl ethers) in California. The new law is the first of its kind in the nation.

"Once again, California is at the forefront of progressive legislation," said Gov. Davis at the Venice Family Clinic today. "This bill protects California's most vulnerable residents: nursing infants and mothers. Health risks for all Californians will be reduced. Our air, rivers and ocean will be cleaner. Our quality of life will be better."

The Governor also thanked Assemblywoman Chan, who, along with California's Environmental Protection Agency (Cal/EPA), shepherded her bill through the State Senate last month. The bill had no opposition when passed by the State Legislature.

"This puts us on the cutting edge in providing protection for our children's health," said Chan at the signing ceremony. "I hope that other states will follow our example."

PBDEs, a form of flame retardant, have been used in a variety of products including housings for computers and electronics; seat cushions; upholstery; office dividers; autos and many others. Two forms, PentaBDE and OctaBDE have been shown to accumulate alarmingly in animal and human tissue and in mother's milk. Cal/EPA scientists have found the world's highest levels of PBDEs in North American women, including women from California according to published research.

"Today's action underscores my firm commitment to environmental protection," added Gov. Davis. "Legislation signed under my administration will once again pay off for this state and for other Americans as well."

In anticipation of the state's ban, some manufacturers will likely eliminate PBDE use. Already, several U.S. chemical makers and product manufacturers have voluntarily stopped making or using the two forms of PBDEs to be banned and action similar to California's has been taken by the European Union.

The ban, which will take effect January 1, 2008, gives manufacturers an adjustment period to modify processes and secure replacement chemicals.

PR03:351 <u>FOR IMMEDIATE RELEASE</u> 08/06/2003

GOVERNOR DAVIS URGES U.S. E.P.A. TO GRANT WAIVER TO KEEP GASOLINE CLEAN, AFFORDABLE AND PLENTIFUL 08/06/2003

SACRAMENTO

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In a letter to the U.S. Environmental Protection Agency (EPA) today, Governor Gray Davis renewed his demand that the EPA drop its requirement that chemicals be added to gasoline.

"California doesn't take a back-seat to anyone in our requirements that gas burn cleanly," said Gov. Davis. "We pioneered the fight against smog. The federal government should know there's simply no reason to add extra chemicals to gasoline when they don't make the gas burn cleaner."

The Governor's letter follows California's legal victory over the EPA in a closely watched court case. The court ruled that the EPA must reconsider the Governor's request to drop the oxygenate requirement for California. The EPA turned down California's request two years ago and Gov. Davis went to court to overturn their decision (Davis v. US EPA, 9th Circuit Court of Appeals #01-71356.).

"A lot of people thought we didn't stand a chance, but California proved its case and the court ordered the EPA to reconsider," added Gov. Davis. "Now it's time for the EPA to reconsider and drop the oxygenate requirement."

Federal law provides that the EPA can waive the "oxygenate mandate" when that serves the purpose of fighting smog. Both evidence presented by the state and the EPA's own Blue Ribbon Panel on Oxygenates in Gasoline have shown that oxygenates are not needed in California's cleaner burning gasolines. The oxygenates most commonly used in gas are MTBE and ethanol.

In the letter Gov. Davis wrote, "Application of the Federal Minimum Oxygen Requirement serves absolutely no purpose in California relative to its intended air emission reduction rationale. California needs the ability to make gasoline with or without oxygenate as conditions warrant. Our refiners need the flexibility to ensure cleaner air, ground, and surface water, while providing affordable and available gasoline for California's consumers."

The Secretary of the California Environmental Protection Agency (Cal/EPA) Winston Hickox praised Governor Davis's action and said, "The Washington administration has to opportunity to prove that there is substance to its rhetoric about the states' power to make decisions. This is an occasion when the federal government can benefit the environment, motorists and industry. It's an opportunity for them to rise above regionalism." Under the court decision in Davis v. US EPA, the next step is up to the EPA.

Copy of Governor Davis' Letter

August 6, 2003

The Honorable Marianne Lamont Horinko Acting Administrator U.S. Environmental Protection Agency Ariel Rios Building 1200 Pennsylvania Avenue, N.W. Washington, DC 20460

Dear Administrator Horinko:

In view of the recent decision (01-71356) by the U.S. Ninth Circuit Court of Appeals on oxygenate, I am writing to reiterate my April 12, 1999, request that the U.S. Environmental Protection Agency (U.S. EPA) act expeditiously in granting California a waiver of the Federal Minimum Oxygen Requirement in gasoline.

Numerous studies by government agencies, automotive companies, fuels industry experts and the U.S. EPA's own Blue Ribbon Panel have shown that a minimum oxygen content is not essential to making reformulated gasoline that meets all emission reduction requirements. California regulations accomplish the needed motor vehicle emission reductions without requiring a minimum level of oxygen. During my administration, the California Air Resources Board has moved from cleaner burning Phase 2 to the exceptionally clean Phase 3 Reformulated Gasoline that will be the state standard starting next year. With cleaner vehicles and gasoline, the average new car emits only 2% as many pollutants as a similar car 20 years ago.

Application of the Federal Minimum Oxygen Requirement serves absolutely no purpose in California relative to its intended air emission reduction rationale. California needs the ability to make gasoline with or without oxygenate as conditions warrant. Our refiners need the flexibility to ensure cleaner air, ground, and surface water, while providing affordable and available gasoline for California's consumers. The continued oxygenate mandate in California subjects the state's motorists to unnecessary risks of supply and price volatility.

Thank you for understanding the urgency of this request. Prompt action by U.S. EPA to approve our waiver request is important to California economically and environmentally.

The Honorable Marianne Lamont Horinko August 6, 2003 Page Two

As always, California is ready to work with U.S. EPA to ensure the protection of public health and the environment.

Sincerely,

GRAY DAVIS

cc: Winston H. Hickox, Secretary, California Environmental Protection Agency

PR03:423 <u>FOR IMMEDIATE RELEASE</u> 09/15/2003

GOVERNOR DAVIS APPROVES TRANSFER OF FORMER NASA SITE IN DOWNEY 09/15/2003

4,000 Jobs Expected to Be Created; Cleanup Accelerated

SACRAMENTO

Governor Gray Davis signed an early transfer of the former NASA Industrial Facility in Downey that will enable the city to complete an ambitious reuse project expected to create 4,000 new jobs.

"This transfer is good for the environment and good for the Southland's economy," said Gov. Davis. "Overcoming the final hurdle for this transfer paves the way for the creation of at least 4,000 new quality jobs and accelerates the cleanup of precious groundwater resources."

"I am pleased that Governor Davis granted my request to expedite this final land transfer agreement," said Congresswoman Lucille Roybal-Allard (D-34th District). "This announcement from the Governor makes this a great day for the City of Downey and its residents. Our years of teamwork have paid off, and now the City can pursue the ambitious economic plan that they have developed for our community."

"As a legislator that represents Downey and its surrounding cities, I am thrilled that this land transfer will create thousands of jobs in my Assembly district. As a resident of the area I am grateful to Governor Davis for approving a project that will expedite the cleanup of contaminated groundwater sites that serve my family and my neighbors," said Assemblyman Ron Calderon (D-Montebello).

Governor Davis said the Los Angeles Regional Water Quality Control Board has signed off on the transfer of the 96 acres to the City of Downey. The transfer has been five years in the making.

"The city has been working diligently to meet all the requirements and assure that the environmental conditions and potential remediation actions are handled properly," said Mayor Ricardo Trejo. "I am pleased that this early transfer will occur and bring family wage jobs to Los Angeles County. This growth will complement projects already underway and provide significant economic growth throughout the greater Los Angeles area."

"The acquisition and redevelopment of the NASA/Boeing site by the City of Downey will bring thousands of new jobs to the 50th Assembly District," said Assemblymember Marco Firebaugh (D-East Los Angeles). "The Southeast Los Angeles area will definitely experience a economic boost from this multi-use project. I commend Governor Davis and Downey City Officials for working together on this important project."

The transfer (96 acres) includes more than one half of the total 160 acre former NASA Industrial Facility bounded by Bellflower and Lakewood Blvds. and Imperial Highway. The City of Downey has already acquired 64 acres that were not contaminated.

The area is being developed into a mixed-use project known as Downey Landing. It will involve the development of a 400,000 square foot retail center and a one million square foot, Kaiser Medical Center, as well as the reuse of buildings where the original space shuttles were constructed as a major movie studio facility.

"By accelerating the transfer process, we are bringing new, quality jobs to LA County," said Gov. Davis. "We are unleashing the creative energy of a city and a region and creating an economic force that will help invigorate Downey for decades."

The City of Downey is acquiring the property for \$21.5 million, of which \$20.5 million will be allocated to complete soil

The City of Downey is acquiring the property for \$21.5 million, of which \$20.5 million will be allocated to complete soil and groundwater cleanup and provide significant levels of environmental insurance. Soil cleanup is already 80 percent complete. Construction is expected to begin as cleanup progresses.

The project is estimated to generate \$750 million in new investment, \$125 million in annual taxable sales and \$2.5 million in annual property taxes.

According to Gov. Davis, the Los Angeles Regional Water Quality Control Board recommended approval of the transfer. It found no evidence of environmental contamination that might present an immediate exposure hazard.

For more information on the project, please visit Downey's web site below.

City of Downey

L03: 129 <u>FOR IMMEDIATE RELEASE</u> 09/18/2003

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GOVERNOR DAVIS TO SIGN BILLS SETTING THE STAGE FOR HISTORIC BALLONA WETLANDS PURCHASE 09/18/2003

Purchase to Cap Three-Decade-Long Fight to Save and Restore Largest Restorable Wetlands in Los Angeles County

LOS ANGELES

Governor Gray Davis today announced his intent to sign two bills, setting the stage for the State to acquire Ballona Wetlands, the largest remaining restorable wetlands in Los Angeles. The purchase agreement, already signed by the owners, now goes to the Wildlife Conservation Board (WCB) for approval of \$139 million in funding for the purchase from Propositions 12 and 50.

"Open space is a valuable and rare commodity in urban environments - especially in Los Angeles," said Gov. Davis. "Voters have sent a message that they want California's environmental resources preserved. This acquisition will provide open space, recreation and public access for the enjoyment of future generations."

The wetlands are part of 1,087 acres currently owned by Playa Vista, LLC, stretching from the 405 Freeway to the Pacific Ocean, that were once owned by industrialist Howard Hughes, including land used to house his private airport and the hangar where he built his famous "Spruce Goose" airplane.

The purchase agreement that goes before the WCB involves 193 acres of land west of Lincoln Blvd, and is part of an overall package of land now owned by Playa Vista LLC. SB 666 by Senator Debra Bowen (D-Marina del Rey) transfers an adjacent parcel of 64 acres of land from its current trust status to full State ownership. The land, located on the coast between Los Angeles Airport and Marina del Rey, includes almost 300 acres that Playa Vista is transferring to the State for no charge. Combined with an additional 60 acres to be transferred for no charge early next year under a related agreement, some 600 acres in total - almost a square mile - will be owned by the State.

The acquisition takes on added importance since some 95 percent of the original coastal wetlands in Southern California have been destroyed or degraded. As a result, the Ballona wetlands have been the subject of numerous lawsuits by those who objected to its development. Over the past three decades, saving it has become a primary focus for environmentalists and community members alike.

AB 859 by Assemblyman George Nakano (D-Torrance) re-appropriates \$25 million from Proposition 12 that was earmarked for the Ballona Wetlands, and sets the stage for the full restoration of these wetlands. The Coastal Conservancy will oversee that restoration beginning with a five-year planning process that will involve full participation by the public.

"This is a dream come true for the people of Los Angeles," said Secretary for Resources Mary D. Nichols, who praised the Trust for Public Land, a non-profit organization that was instrumental in securing an option on the land and will maintain the land once it is acquired. "This acquisition will provide open space, recreation and education opportunities for the public, and a home for many species for whom this will be an oasis in the heart of a dense urban setting."

The acquisition provides congested Southern California with habitat for a number of endangered and threatened species including the California brown pelican and Belding's savannah sparrow. The area is also a local nesting site of the great blue heron and habitat for at least ten species of reptile and amphibian species. More than 90 separate native species of bird were sighted at the wetlands over last seven and one half months.

Marcia Hanscom, a member of the national board of the Sierra Club and Executive Director of Wetlands Action Network, whose organization has overseen much of the litigation efforts opposing Playa Vista for the last eight years, praised Governor Davis' efforts. "The Governor displayed real leadership in supporting this important acquisition. We asked the State of California to negotiate for more land than was considered in the original sale option and the Governor's representatives tripled the amount of land the public will potentially receive," explained Hanscom.

"This land is very valuable real estate, and big developers like Playa Capital have pushed for years to build on it for their own profit," said Susannah Churchill of Environment California which was also involved in the struggle to save the Ballona wetlands. "The Davis administration deserves major kudos for siding with the public and choosing to set aside and protect these wetlands. Californians now and in the future will have Governor Davis to thank for the protection for some of the state's last remaining wetlands."

The acquisition of the Ballona Wetlands complements other important acquisitions in the Los Angeles area, including saving the \$65 million acquisition of Cornfield and Taylor Yards, the largest remaining open space in downtown Los Angeles, and the \$41 million acquisition of Vista Pacifica in Baldwin Hills, which will now be joined directly to the Ballona Wetlands through bicycle trails and other recreational amenities.

L03: 132 <u>FOR IMMEDIATE RELEASE</u> 09/18/2003

GOVERNOR DAVIS TO SIGN LEGISLATION TO REDUCE RISK OF CATASTROPHIC OIL SPILLS IN CALIFORNIA WATERS 09/18/2003

SANTA BARBARA

In an effort to diminish the possibility of a catastrophic oil spill off California's coast, Governor Gray Davis today indicated his intent to sign legislation that would require oil produced offshore from new or expanded oil extraction operations be transported by pipeline only.

"This legislation builds on California's rich tradition of providing environmental stewardship of our precious coastline," said Gov. Davis. "By ensuring that all offshore crude oil is transported onshore via pipeline only, we provide additional protections for California's marine environment and coastal communities and diminish the odds of a catastrophic accident."

AB 16 by Assemblymember Hannah-Beth Jackson (D-Santa Barbara), requires that where new oil and gas development is permitted offshore of California, all oil would be transported to onshore processing facilities by pipeline only. Additionally, all pipelines used to transport this oil will utilize the best achievable technology to ensure maximum protection. The bill provides a limited exception where the crude oil is so highly viscous that pipelining is infeasible, and in times of emergency. Currently, no new offshore drilling is allowed in California, except under existing leases.

"This measure is necessary to protect California's coast from a potentially devastating oil spill that could destroy our local economy," said Assemblymember Hannah-Beth Jackson. "There have been numerous spills in different parts of the world that have had devastating impacts on the local economy, the fishing industry, tourism and the environment. We must do what can be done to prevent such a disaster off California's Coast."

The majority of oil currently extracted offshore is already transported onshore via pipelines. However, there is one company that currently transports its oil via barge, solely for its platform off the Santa Barbara coast, where the company is planning to expand production. This legislation will add protections to reduce risk of an oil spill to the local coast.

PR03:437 <u>FOR IMMEDIATE RELEASE</u> 09/22/2003

GOVERNORS DAVIS, LOCKE AND KULONGOSKI ANNOUNCE TRI-STATE STRATEGY TO REDUCE GLOBAL WARMING 09/22/2003

SACRAMENTO

Gov. Gray Davis, joined by Washington Governor Gary Locke and Oregon Governor Ted Kulongoski (via statement) today announced an ambitious, coordinated strategy to reduce global warming. Due to federal inaction, the governors concluded that states must act individually and interactively to protect their residents and economies.

"Last year, I was proud to sign the first law in the nation to substantively combat global warming," said Gov. Davis. "Today I am pleased to join with Gov. Locke and Gov. Kulongoski in seeking a border-to-border solution to the problem of carbon dioxide pollution. Each state faces individual challenges, but all three share the determination to actively deal with the threats created by global warming. Obviously, an initiative from Washington D.C. along the lines of what we are doing today would be welcome, but in its absence the states have to act."

"Our current federal policies will not lead to a reduction in emissions of the greenhouse gasses associated with climate change," Gov. Locke said. "The governors of the West Coast states have concluded that in the absence of meaningful federal action, we must act individually and regionally to address the sources of global warming."

Gov. Locke appeared with Gov. Davis at Kenneth Hahn State Recreation Area to make the announcement. Oregon Gov. Ted Kulongoski expressed his support for this initiative in a statement "to show leadership on an environmental issue of critical importance."

The agreement by the three governors represents their resolve to decrease the emissions that cause global warming.

"We will employ a common-sense approach to using available technology today and developing technology in the near future to deal with global warming," added Gov. Davis.

Specifically, the three governors have directed their staffs to work together to provide them with recommendations on ways the West Coast states can:

- Use the states' combined purchasing power to obtain fuel-efficient vehicles and low-rolling resistance tires. For example, the states are working on a uniform specification for the purchase of hybrid vehicles.
- Reduce emissions from diesel fuel in transportation through reductions in the use of diesel generators of ships in
 west coast ports and in the use of diesel engines by creating a system of emission-free truck stops along the
 Interstate 5 corridor all the way from Mexico to Canada.
- Remove barriers to and encourage the development of renewable electricity generation resources and technologies. (California already has an ambitious renewable energy portfolio in state.)
- Develop uniform efficiency standards with the potential to reduce greenhouse gas emissions. Specifically, they will
 work together to deal with federal limitations on upgrades of appliance efficiency standards, which may include
 waivers from those limitations.
- Develop consistent and coordinated greenhouse gas emission inventories, protocols for standard reporting, and
 accounting methods for greenhouse gas emissions, and collaborate on improved scientific tools to more precisely
 measure the impact of climate change.

The tri-state strategy dovetails with existing California initiatives including the Air Resources Board setting carbon pollution standards for 2009 model vehicles and those sold later; the state's non-governmental Climate Change Registry that anticipates carbon reduction credit trading and California's pioneering work in zero and partial-zero emission vehicles (ZEVs and PZEVs).

L03:137 FOR IMMEDIATE RELEASE 09/22/2003

GOVERNOR DAVIS SIGNS LANDMARK AIR QUALITY LEGISLATION INTO LAW 09/22/2003

SACRAMENTO

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Governor Gray Davis today signed into law a package of clean air bills intended to help clean San Joaquin Valley air.

"These bills will help clean up the San Joaquin Valley's air, which is now the dirtiest in the nation outside of the Los Angeles basin," said Davis. "Cleaner air in the Valley will better protect the health of the more than three million people living there, especially the children who have some of the nation's highest asthma rates."

The package of bills (SB 700, 704, 705, 708 and 709) by Sen. Dean Florez (D-Shafter) and AB 170 by Assemblymember Sarah Reyes (D-Fresno) will help clean up San Joaquin Valley (SJV) air pollution, which currently has air quality problems second only to those found in the Los Angeles region. Collectively, the bills will fulfill a court order requiring the elimination of agriculture's exemption from air quality regulations (SB 700), require the California Energy Commission to provide \$6 million for incentives to biomass facilities to burn more agricultural waste (SB 704), require the SJV air district to adopt a schedule to phase out agricultural burning in the valley (SB 705). Assemblymember Sara Reyes' AB 170 requires SJV general plans to include strategies for improving air quality.

Governor Davis also signed SB 288, the Protect California Air Act, by Sen. Byron Sher (D-Palo Alto), which codifies into state law previous federal air quality standards which the Bush Administration made less stringent in December 2002.

In addition, the bill package includes a measure that authorizes counties to set up smoking vehicle checkpoints and increase the fines for second and third offenders (SB 708) that will qualify low income drivers to participate in the state's vehicle repair assistance program. Finally, SB 709 will allow the SJV air district to adopt pollution control rules similar to those already in place in the Los Angeles air district, such as the district's fleet rule that requires large fleets to use some alternative vehicles.

"This package of legislation has passed because the people of the San Joaquin Valley are sick of air that's easier to see than it is to breathe," said Gov. Davis. From little children to editors of great newspapers, Valley residents have united to say, 'Enough is enough, we demand change now.' I am proud to join them and Valley legislators. The change begins today."

L03:144 <u>FOR IMMEDIATE RELEASE</u> 09/24/2003

GOVERNOR DAVIS SIGNS COASTAL AND ENVIRONMENTAL PROTECTION BILLS 09/24/2003

Legislation Protects Coast from Cruise Ship Discharges; Safeguard State's Ecosystem

SACRAMENTO

Governor Gray Davis today signed a package of new bills which will provide additional protections for California's coastline and ecosystem through a variety of measures, from regulation of cruise ship discharges to motorboat noise abatement.

"California's coast is an irreplaceable state treasure," said Gov. Davis. "These new bills build upon existing law. Importantly, we are employing a common-sense approach to assure that people can enjoy the coast without damaging it."

Among the bills are some of the strongest laws in the nation dealing with discharges from passenger ships.

AB 121 by Assemblymember Joe Simitian (D-Palo Alto) and AB 906 by Assemblymember George Nakano (D-Torrance) protect marine waters from the release of sewage sludge and oily bilge water by passenger vessels and prohibit cruise ships from releasing wastewater or hazardous wastes into state waters or national marine sanctuaries.

"AB 121 protects our economy, our environment, and our public health," said Assemblymember Joe Simitian, author of the bill. "Our coastal waters and marine sanctuaries ought not be used as a dumping ground."

"This bill is good for cruise lines too, because it will help protect California's beautiful coastal waters and ensure that our coast continues to attract tourists," said Gov. Davis.

"People from all around the world make California a top travel destination because of its pristine coastal regions, and I am proud to join my colleagues in carrying legislation that protects our State's precious marine environment," added Assemblymember Nakano.

The legislative package signed by the Governor also includes several other environmental protection bills:

AB 16 by Assemblymember Hannah-Beth Jackson (D-Santa Barbara) requires all oil produced offshore from new or expanded oil extractions be transported onshore by pipeline only.

AB 260 (Jackson) requires CalTrans to assign a high priority, within its maintenance programs relating to litter cleanup and abatement, to litter deposited along segments of state highways that adjoin storm drains, streams, rivers, waterways, beaches, the ocean, and other environmentally sensitive areas.

AB 433 by Assemblymember Joe Nation (D-San Rafael) continues a program signed into law by Gov. Davis in 1999. The bill extends until Jan. 1, 2010, the sunset on the California Ballast Water Management Program to control and reduce the release of non-native aquatic species and organisms into state waters by ships arriving in California from foreign ports (e.g., foreign shellfish, toxic algae, bacteria and viruses).

"Four years ago, California became the first state in the country to enact a comprehensive program to control marine invasive species through its primary source of introduction--ship ballast water," said Assemblyman Nation. "Marine invasive species continue to create significant economic and ecological problems for California and the nation. I am very pleased the Governor is honoring California's leadership role in this effort by signing AB 433 into law."

AB 847 by Assemblymember Fran Pavley (D-Agoura Hills) authorizes the State Coastal Conservancy to use bond funds to award grants for projects that improve coastal water quality and protect marine resources in sensitive habitat areas.

AB 866 (Pavley) requires the Santa Monica Bay Restoration Commission to recommend to the State Water Resources Control Board which projects will receive Prop. 40 bond funds for Santa Monica Bay restoration funding.

AB 1555 (Nakano) extends existing motorboat noise limits to include coastal waters within one mile of the California coastline, rather than only in inland waters.

AB 13 by Assemblymember Tom Harman (R-Huntington Beach) authorizes CalTrans to transfer 9.5 acres of environmental mitigation property in the City of Huntington Beach to the Huntington Beach Wetlands Conservancy.

SB 68 by Senator Dede Alpert (D-San Diego) creates the San Diego Bay Advisory Committee for Ecological Assessment to evaluate and report on trends related to the health of San Diego Bay, identify habitat enhancement projects, and recommend storm water pollution control technology.

L03:149 <u>FOR IMMEDIATE RELEASE</u> 09/25/2003

GOVERNOR DAVIS SIGNS MAJOR "E-WASTE" BILL CREATING NATIONS' FIRST ELECTRONIC WASTE RECYCLING PROGRAM 09/25/2003

SACRAMENTO

Governor Gray Davis has signed the electronics waste recycling act of 2003, the nation's first comprehensive electronics recycling law. The legislation creates a system for the safe and convenient collection and recycling of hazardous electronic products with the elimination of existing electronic waste stockpiles by the end of 2007.

"California has led the technology revolution and we will lead the way to safely managing computers and other electronic devices at the end of their life," said Governor Davis. "This is a low-cost, consumer-friendly solution to the expensive electronic product recycling options currently available."

In California, more than 10,000 computers and TVs become obsolete daily. Recycling programs run by some electronics manufacturers and local governments typically charge consumers from \$10 to \$35 to take back an obsolete computer monitor or television. A study by the California Integrated Waste Management Board (IWMB) estimates that Californians have some six million of these products stored at home.

SB 20 by Senator Byron Sher (D-Palo Alto) creates the Electronic Waste Recycling Act of 2003, which establishes a comprehensive program to safely manage cathode ray tubes (CRTs, or picture tubes). CRTs are used in computer monitors and TVs, flat panel screens and other video displays that contain hazardous components.

"The 'e-waste' problem has been created by rapid changes in the electronics industry, consumer demand for more powerful personal computers and a lack of convenient recycling opportunities," Senator Sher said. "SB 20 will put California at the front of national efforts to solve this burgeoning problem."

The act covers specific electronic products that use CRTs, flat panel screens, or any other video display device larger than four inches, if the California Environmental Protection Agency's (Cal/EPA) Department of Toxic Substances Control (DTSC) determines that they are hazardous. DTSC has determined that CRTs, which typically contain five to seven pounds of lead that protects users from radiation emitted by the products during their operation, is hazardous.

Starting July 1, 2004, California retailers will begin collecting an electronic waste recycling fee on covered products. The fee will be:

- \$6 on products with video display screens of at least four inches but less than 15 inches;
- \$8 for screens 15 inches to smaller than 35 inches; and
- \$10 for those with screens 35 inches or larger.

The fees also apply to mail order and Internet purchases. The IWMB can impose administrative civil penalties of up to \$2,500 per violation and seek penalties of up to \$5,000 per violation of each sale of a specific electronic device for which a recycling fee has not been paid.

Revenues will be deposited in a new Electronic Waste Recovery and Recycling Account and fund payments by the IWMB to authorized electronic waste collectors and recyclers, to cover the net costs for operating free and convenient collections programs for the public. The Board, in collaboration with DTSC, is required to adjust the fees every two years to ensure that sufficient revenues are available to fund the collection, consolidation and recycling and to administer the program. Similarly, the recycling payment schedule will be adjusted every two years to adequately cover the net costs of recycling. After July 1, 2004, electronic product manufacturers must demonstrate compliance with provisions of the Electronic Waste Recycling Act. Starting July 1, 2005, electronic product manufacturers must report annually to the Board their approximate sales of covered products for the preceding year, the amount of hazardous materials used in manufacturing their products, what they have done to reduce this and efforts undertaken to design more recyclable electronic products.

Overseas export of electronic wastes has created problems, notably in China, where environmental controls and worker health and safety protections have been weak. Under the new law, anyone proposing to export covered electronic wastes to a foreign country will have to notify DTSC, at least 60 days in advance, of the destination, contents and volumes of covered electronic waste to be shipped. They will also be responsible for demonstrating that the importation is legal in the destination country, will meet all applicable laws of the importing country and that the waste will be handled at its destination in accordance with rules, standards, and requirements adopted by the Organization of Economic Co-operation and Development for the environmentally sound management of electronic waste.

Under current hazardous waste law, DTSC can enforce the new electronics waste recycling statute and seek fines of up to \$25,000 a day for violations.

"I look forward to working with industry leaders such as IBM, Hewlett Packard, Sony and others to halt the increasing 'e-waste' problem," Governor Davis concluded.

L03:157 FOR IMMEDIATE RELEASE 09/29/2003

GOVERNOR SIGNS ENVIRONMENTAL LEGISLATION FOCUSING ON PERCHLORATE CONTAMINATION 09/29/2003

SACRAMENTO

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Governor Gray Davis today signed two bills that protect and guard California's drinking water sources from perchlorate contamination and another that bolsters water quality enforcement.

"Perchlorate is a growing concern. It is a legacy pollution issue left over from the Cold War," said Governor Davis. "American ingenuity won that struggle, now it can win the battle against this chemical that could make much of the state's water undrinkable."

The two perchlorate bills require the state to establish management practices for perchlorate, institute a process of notification by owners of perchlorate facilities within five miles of a public drinking water wells contaminated by perchlorate, guarantee consumers clean replacement water when contamination is discovered; and establish an electronic database to allow better coordination of perchlorate management activities between the state and local agencies.

"These bills ensure that Californians will have clean sources of drinking water. Through proactive notification, the State will establish a system of tracking perchlorate use and improve coordination between State and local agencies," said Davis.

Senate Bill 1004 by Senator Nell Soto (D-Colton) requires owners of perchlorate facilities to notify the State Water Resources Control Board about their storage of perchlorate from 1950 to the present, where their perchlorate is stored, and the volume of perchlorate stored. The bill emphasizes the authority of the nine Regional Water Quality Control Boards to order perchlorate facility owners to replace drinking water supplies that have been damaged by perchlorate.

"Governor Davis has always supported common sense protections for the environment and for human health. When he signs my bill, SB 1004, communities across our state will have new tools to find perchlorate before it has spread," said Sen. Soto. "And SB 1004 will ensure that polluters, not consumers, pay the cost of replacing contaminated water."

Assembly bill 826 by Assemblymember Hannah-Beth Jackson (D-Santa Barbara), establishes a statewide database connecting Cal-EPA's hazardous waste materials with data from local agencies. The bill, called the Perchlorate Contamination Prevention Act, directs the Department of Toxic Substances Control (DTSC) to develop best management practices for perchlorate by December 31, 2005. These management practices would ensure that perchlorate and perchlorate materials are handled in a safe manner and that there is consistent statewide management of perchlorate.

"The development of management practices for perchlorate and perchlorate materials combines the concepts of environmental protection, pollution prevention, and environmental stewardship," said Ed Lowry, DTSC Director. "A consistent management practice also ensures consistent enforcement of hazardous waste management laws."

Perchlorate is a significant threat to California's drinking water sources. Perchlorate is a white powder used in the combustion of rocket fuel and explosives. Perchlorate is a primary source of contamination in California drinking water, passing MTBE in the number of wells affected. Statewide, perchlorate contamination has been found in eastern Sacramento County, Simi Valley, San Gabriel Valley, the Rialto-Colton Basin, water sources for the Santa Clara Valley Water District, and in the Colorado River, which supplies water to Southern California.

"These bills strengthen protection measures to ensure that our drinking water supplies are safe and healthy," said Arthur G. Baggett, Jr., Chairman of the State Water Resources Control Board. "Identifying potential contamination sources and preventing release of perchlorate to the environment, rather than attempting to cleanup after-the-fact, is more protective of the health of Californians."

Governor Davis also signed another water quality bill, Assembly Bill 1541 by Assemblymember Cindy Montanez (D-San Fernando), which makes failing to file a water quality discharge monitoring report subject to a mandatory administrative penalty of \$3,000 for each 30-days the report is late. The bill would increase compliance with permit monitoring requirements and allow the water boards to better assess water quality conditions.

PR03:458 <u>FOR IMMEDIATE RELEASE</u> 10/01/2003

GOVERNOR GRAY DAVIS ANNOUNCES FULL FUNDING FOR ACQUISITION OF AHMANSON RANCH 10/01/2003

New Parkland will Become 'Outdoor Classroom' Formation of New Public-Private Foundation to Assist

LOS ANGELES

Governor Gray Davis today announced that full funding for acquisition of the 2,960-acre Ahmanson Ranch has been secured by the State of California. The \$150-million funding package will make it possible to protect rolling hills, oak woodlands, open space and habitat for endangered species on the border of Los Angeles and Ventura Counties.

"Putting the Ahmanson property into public ownership is a once-in-a-lifetime opportunity," said Gov. Davis. "This land provides badly needed open space in the heart of a metropolitan area, and provides a key wildlife linkage between other parks and protected areas. It will also serve as a new destination for recreation, and perhaps most important, it will become an important 'outdoor classroom' for millions of children throughout the Los Angeles area."

To help achieve that important goal the Governor also announced the formation of a foundation, a public-private venture whose mission is to develop, support and run educational and recreational programs for children - especially those from the inner city and disadvantaged neighborhoods - to benefit from this spectacular setting.

"This is the perfect use of the land," said Director Rob Reiner, co-chair of Rally to Save Ahmanson Ranch. "The new foundation will be giving children the priceless opportunity to get a hands-on environmental education. For me, this commitment is the logical next step."

Rob Reiner and Chris Albrecht, CEO of HBO Television and co-chair of Rally to Save Ahmanson Ranch, have committed to raise \$1 million, which will be matched with \$1 million from the Santa Monica Mountains Conservancy to form an endowment of \$2 million. The Baldwin Hills Conservancy and State Parks -- along with a board of directors representing a broad spectrum of the general public that will also be responsible for raising funds -- will provide guidance to the Foundation about activities, access, and programs on the property.

"This new venture is an exciting stepping stone in making environment issues accessible to everyone," added Albrecht. "I am proud to be a part of this effort that will provide a valuable learning experience for kids in our state."

The land, to be acquired from Washington Mutual, was slated for extensive development. Over the years the proposed development has been the subject of contentious lawsuits, with a growing element of citizen opposition to putting houses, roads, and golf courses on the property.

Early this past summer, with the full support of Governor Davis, California Secretary for Resources Mary Nichols approached Washington Mutual to determine if they would be willing to sell the land to the State rather than proceed with their planned development. Washington Mutual agreed at that point to consider an offer for the land.

The Santa Monica Mountains Conservancy contracted with a licensed appraiser whose appraisal, approved by the State Department of General Services in August, arrived at a figure of \$170 million as fair market value for the land. In subsequent negotiations with Washington Mutual, the State agreed to purchase the property for \$150 million.

million.

Governor Davis wholeheartedly supported the project and the price. The funding he announced today comes from three state agencies. Last week the Santa Monica Mountains Conservancy approved its funding segment of \$5 million; on September 25, the State Coastal Conservancy approved its share of \$10 million; and yesterday (September 30) the Wildlife Conservation Board approved the lion's share of \$135 million.

The acquisition now goes to the State Public Works Board for approval on October 10; escrow is expected to close some sixty days following approval.

Ahmanson is a centerpiece of the Governor's urban parks initiative, and acquiring it demonstrates his wholehearted commitment to preserving open space and parkland in the heart of urban areas. Since 1999 the Governor has promoted bringing parks to people. To date, including Ahmanson and Ballona, the total of these acquisitions approaches 10,000 acres of parkland in urban areas, including the important acquisitions of Taylor Yard and Cornfield Park, the two largest remaining plots of open space in downtown Los Angeles.

The Ahmanson property is an extremely important ecological piece in the tapestry of park and public lands throughout the Simi Hills and the Santa Monica Mountains. Two endangered species - the red-legged frog and the San Fernando spineflower (once thought extinct) are found on the land. It is also at the headwaters of the Malibu Creek, which is one of the southernmost spawning creeks for steelhead in the state. Additionally the property provides important habitat linkage that allows migration of species back and forth between the coastal ranges, and up into the larger national forest areas to the north and east. Without these important linkages, a variety of species in the area, especially in the Santa Monica Range, could become isolated and suffer detrimental effects in terms of health and numbers.



GOVERNOR DAVIS ANNOUNCES INITIATIVE TO ALLOW 'HYBRID' VEHICLES IN CARPOOL 10/02/2003

SACRAMENTO

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Governor Gray Davis today announced a plan to improve the state's air quality by allowing efficient, gas-electric "hybrid" vehicles on California's more than 1,100 miles of high occupancy vehicle (HOV) lanes. The Governor also announced he will sign two bills that encourage the use of fuel-efficient tires and will bring more fuel efficient vehicles into the State's auto fleet.

"HOV lanes are designed to reduce traffic congestion, fuel consumption and air pollution," Governor Davis said. "We can make even greater strides toward improving our air quality by allowing clean, gas efficient vehicles into our HOV system."

California has 1,112 miles of HOV lanes, better known as carpool lanes, which amounts to approximately 40 percent of the nation's total. The state expects to build another 1,045 lanes in the next two decades. Carpool lanes, which require at least two (and in some cases three) occupants per vehicle, move twice as many people during peak hours as mixed-flow lanes.

The hybrid vehicles achieve very high gas mileage and produce very few emissions. The HOV lanes currently are restricted to multiple-passenger vehicles, motorcycles, transit and zero-emission vehicles. The qualifying vehicles would be required to carry stickers indicating to law enforcement officials that they are legal for use in HOV lanes. The new HOV/hybrid proposal was developed by the California Department of Transportation (Caltrans) in cooperation with California Treasurer Phil Angelides' office.

"Opening up the State's HOV lanes to hybrid vehicles is a smart solution that encourages California motorists to use less fuel while, at the same time, cutting down on the amount of air pollution created by vehicles and helping to ease traffic congestion." Treasurer Angelides said.

HOV lanes are expected to increase the use of carpools, vanpools and buses, while reducing vehicle emissions and enhancing safety. Governor Davis sent a letter to federal Transportation Secretary Norman Mineta requesting federal authority for California to open HOV lanes to clean, gas efficient vehicles.

AB 844 by Assemblymember Joe Nation (D-San Rafael) requires the Energy Commission, in consultation with the Integrated Waste Management Board, to develop a replacement tire efficiency program for passenger cars and light-duty trucks. The program will include development of minimum energy efficiency standards, a rating system and point of sale consumer information for replacement tires.

"This measure will improve fuel economy, reduce California's dependence on petroleum and improve air quality," Governor Davis said.

Encouraging State use of fuel-efficient vehicles and low-rolling resistance tires are elements of the tri-state coordinated strategy to reduce global warming initiated by Governor Davis, Washington Governor Gary Locke and Oregon Governor Ted Kulongoski, as announced last month.

Studies have shown that low rolling resistance tires used on new cars are fuel-efficient and safe. If 25 to 35 percent of passenger cars and light trucks were outfitted with efficient replacement tires, California would save between 70 and 110 million gallons of gasoline annually, saving consumers approximately \$165 million each year, while also reducing greenhouse gas emissions.

"Most people are unaware that when they buy replacement tires for their vehicles, they use more gasoline than necessary because replacement tires are often not as efficient, in terms of rolling resistance, as a vehicle's original tires," said Assemblyman Joe Nation (D-San Rafael). "AB 844 will continue California's leadership role in protecting air quality by reducing the state's contribution to global warming, providing consumers important information about the fuel efficiency of

the replacement tires they buy and saving them money in fuel costs over the life of their tires, and reducing the state's dependence on oil."

Governor Davis also announced that he will sign SB 552 by Senate President pro Tempore John Burton. This measure, sponsored by Treasurer Angelides, requires the Department of General Services, in consultation with the California Air Resources Board and the California Energy Commission to develop by January 1, 2005, minimum fuel efficiency and emission standards and specifications for all vehicles leased or purchased by the State of California.

Under the new law, California will have the toughest fuel-efficiency standards in the nation for vehicle fleets. The new standards will encourage the purchase and lease of fuel-efficient vehicles while trimming the purchase or lease of gas-guzzlers. The new law will save taxpayers money through the purchase or lease of less expensive vehicles and lower fuel costs, and will mean cleaner air through reduced emissions.

"This law will help clear the air and save taxpayers' money," Treasurer Angelides said. "And it comes at an especially important time. Our State is facing unprecedented fiscal challenges, gasoline prices are unpredictable and air quality needs to be improved."

Senator Burton said, "Having the state fleet contain more fuel-efficient and less-polluting vehicles helps protect our environment, health and quality of life. Once again California is leading the way in doing the right thing for the environment."

Last year, Governor Davis signed legislation that established state policy to minimize the economic and environmental costs due to the use of petroleum-based fuels by state agencies. The new law required a review of the costs and benefits of reducing the energy consumption by the state vehicle fleet.

"The State of California will continue to lead by example to reduce greenhouse gas emissions and reduce our petroleum dependence," Governor Davis said.

Please see letter below to federal Transportation Secretary Norman Mineta.

October 2, 2003

The Honorable Norman Mineta Secretary United States Department of Transportation 400 7th Street, SW Washington, D.C. 20590

Re: Use of California's High-Occupancy Vehicle Lanes

Dear Secretary Mineta:

The State of California has unique issues concerning both air quality and mobility. While we are making strides toward improving our air quality, California's urban air quality remains one of the worst in the nation with a large percentage of our urban smog coming from mobile sources. In order to improve air quality, reduce fuel consumption, promote the use of cleaner vehicles and increase the utilization of our facilities, the State of California requests your approval to allow clean, gas efficient vehicles into our high-occupancy vehicles (HOV) system.

Pursuant to the federal Clean Air Act Amendments of 1990 and the Transportation Equity Act for the 21st Century (TEA-21) the State of California permits ultra low-emission vehicles (ULEVs) that meet the federal inherently low emission vehicles (ILEVs) standard to access our 1,112 lane-miles of HOV lanes with only a single occupant (as of January 1, 2004 only vehicles that are considered super low-emission vehicles (SULEV) will be allowed).

The State of California is very supportive of the provisions of SAFETEA Section 1610, Use of HOV Lanes. We are requesting your approval to open our HOV lanes to a small subset of the cleanest vehicles contained in the Federal Tier II Standards that have a fuel efficiency of 45-mile-per gallon or greater. Details of this proposal are attached.

If you have any questions, please contact the California Department of Transportation's Director Jeff Morales at (916) 654-5266.

Sincerely,

GRAY DAVIS